PROPOSED ANNUAL BUDGET

Fiscal Year

2018 2019

mymcpl.org

Administrative Headquarters
15616 E. 24 Hwy.
Independence, MO 64050
BUDGET MESSAGE

Fiscal Year 2018-19

Heading into the 2018-2019 fiscal year, Mid-Continent Public Library finds itself in a very interesting and favorable position. The public’s affirmation of the Library’s vision in the November 2016 election permitted MCPL to engage with the public to make detailed plans in fiscal year 2017-2018. In 2018-2019, Mid-Continent Public Library will work to execute plans, keep the resulting promises, and position the Library for future success.

One of the most noticeable activities commencing in the coming year will be the activation of the Facilities Assessment and Capital Plan (“Capital Plan”). The Library will reinvest in buildings, create new spaces, and reimagine existing spaces to be more useful for today’s library user. The Capital Plan has a construction budget of $84.5 million and a total budget of $113.2 million (including fees, furniture, fixtures, and equipment). Prices can change from month to month and year to year, but the design team, construction team, and staff are committed to keeping within these budgets.

The Capital Plan is comprised of four phases. As the new fiscal year begins, Phase One will be just underway. This phase includes extensive remodels of six branches as well as an addition to the Midwest Genealogy Center and new buildings in Liberty and Lee’s Summit. Before the end of the fiscal year, work on Phases Two and Three will also have begun. These phases are comprised of 21 projects including remodels, additions, and new construction. Current information on the Capital Plan is always available at mymcpl.org/community.

After much consideration, the Board chose to accelerate the Capital Plan. By accelerating the program, MCPL will be able to save over $40 million and will be able to complete the projects 18 years sooner than had the Library pursued a “pay as you go” strategy. More importantly, the Library facilities would be repurposed to meet the needs and wants of current and future Library users. MCPL was able to receive a Moody’s AA2 rating and secure the necessary financing in May 2018.

In addition to the Library’s investment in its physical facilities, Mid-Continent Public Library is also renewing a commitment to investing in the collection of resources and materials. Over the past two years, using the additional resources approved by taxpayers, the Library has been able to increase the collection budget by a total of 14.5%. MCPL continues to allocate a larger percentage of budget revenue to materials than peer libraries (22% compared to the peer average of 12%).

The Library continues to add valuable resources to the collection but also recognizes that a critical role for a modern library is to help people find and evaluate the best information available. To achieve this, the Library is investing in any library’s greatest resource: the library staff. This investment includes the addition of needed positions as well as an effort to bring current staff salaries and benefits into competition with the labor market.
Lastly, Mid-Continent Public Library will execute a new strategic plan in 2018-2019. This plan will set a direction and refresh the guiding principles for the organization. The new plan will help the Library with resource allocation, alignment of activities, and the ability to better engage in the community in a meaningful way as outlined in the book *The Purpose-Based Library*. The premise of this book, and the foundation of the new Strategic Plan, is that libraries identify conditions and situations that stand in the way of allowing a community to grow and prosper. Once identified, a library should develop a “library-appropriate response” and cooperate with other community groups to address those needs within the community. Finally, a library can become the keeper of community progress using dashboard metrics. Mid-Continent Public Library’s new plan can be viewed in detail at mymGPL.org/planning.

Libraries are needed more today than ever before. Thanks to the vision of the Library Board and the support of the public, Mid-Continent Public Library is now in an ideal position to fill this vital role in our community.

Steven V. Potter
Library Director and CEO
Strategic Plan 2018

On May 15, 2018, the Board of Trustees adopted a new Strategic Plan for Mid-Continent Public Library. This new plan was the culmination of many months of preparation. The Library’s intent is that this new plan will achieve the following:

- The plan should prioritize activities necessary for the Library to help improve our community.
- The plan should incorporate input from the community, Library customers, and internal stakeholders.
- The plan should allow everyone on the Library staff and Board of Trustees to easily identify how their work fits into the strategic direction of the Library.
- The plan should display, explicitly and implicitly, the value of the Library system.
- The plan should build logically out of the framework provided by *The Purpose-Based Library*.
- The plan should function, above all, as a directional document that reminds every stakeholder of the organization’s aspirations.
- The plan should be “evergreen,” meaning the plan should serve as a guide for the foreseeable future.

The Board reaffirmed the following vision and mission statements:

Vison: Mid-Continent Public Library will provide the best library experience in North America.

Mission: Mid-Continent Public Library’s mission is to enrich our citizens and communities through expanding access to innovation, information, ideas, and inspiration.

For the first time in a planning process, the Board also adopted several value statements:

- Intellectual Freedom – The Library believes in the right of every individual to have access to quality information from all perspectives and in a format they find useful.
- Inclusion – The Library believes in the right of every individual to access library services regardless of income, education, beliefs, identity, abilities, age, or race.
- Innovation – The Library believes creative and collaborative methods are required to solve challenges in our community.
- Service – The Library believes that the customer should be at the center of all that we do.
- Stewardship – The Library believes the public and private dollars entrusted to us must be used effectively and efficiently to improve our community.
- Trust – The Library believes trust underlies success, and that trust is built through integrity, fairness, and reliability.
The Strategic Plan is built on six pillars of capacity that help support the core activities of mission fulfillment. From this strong foundation, the Library will work to achieve strategic priorities as seen in The Purpose-Based Library’s “Pyramid of Needs.”

**Organizational Pillars** – The organizational pillars are the internal tools and resources required to achieve success in the core work and the strategic priorities. The pillars correlate with key staff and Library Board committees. Successful libraries measure achievement through performance metrics and inputs.

**Core Library Services** – The Library can change the lives of individuals every day by providing traditional library services with attention to excellent customer service. Core services are those things that make up the majority of branch activity—circulation, internet use, programs and events, reference sessions, meeting room use, and other traditional library activities along with the digital equivalent of all those things. Outputs like active library users, customer satisfaction, and transactions measure success in this area.

**Strategic Priorities** – To increase relevancy to the community, the Library must find and address the gaps between where the community is and where it wants to be. The Library will develop a “library-appropriate response” to address those gaps. So long as the need exists in the community, it is appropriate for MCPL to continue to work to decrease the gap. Addressing these priorities successfully occurs when the Library has a strong foundation in the organizational pillars and is successfully meeting the core services. Outcome measures, frequently developed by the outside community, capture the Library’s success in this arena. This approach is very different from traditional library planning. For the Library to have the greatest influence in a community, it must identify the areas of greatest need, coordinate with other community organizations, adopt a “library-appropriate response,” and work to address those needs. Once an area is identified as a community need, it is appropriate for the Library to continue to work at addressing that need until the issue is resolved. Listed below are MCPL’s three strategic priorities:

- **Strategic Priority #1** – MCPL will cultivate literacy skills that prepare children and families for lifelong success.
- **Strategic Priority #2** – MCPL will connect citizens to innovative services and resources that expand opportunity and build community.
- **Strategic Priority #3** – MCPL will build the capacity of individuals and organizations to create and share their stories.
Executing the Strategic Plan

Mid-Continent Public Library has always relied on the use of data and performance measurement to update and improve performance, to save money, and to operate more effectively.

Periodically, MCPL will employ an industrial engineer to improve processes. Past projects increased organizational throughput around resource-sharing activities, resulting in annual savings of $600,000 and addressing an end-of-year ordering process that previously embargoed as much as $300,000 in orders. A two-tiered performance study helped to decrease the time it takes for a newly available item to reach the shelf. With the adoption of the 2018 Strategic Plan, MCPL will work to realign processes and procedures to operate more effectively and efficiently.

Another important step in executing the strategic plan is creating performance plans for each area within the capacity-building pillars. Guiding the creation of these plans will be the Board committees. This will allow the Board and the public to have a clearer picture of overhead costs, fixed costs, opportunity costs, and variable costs, ultimately allowing for regular and more in-depth feedback on budget priorities.

<table>
<thead>
<tr>
<th>Organizational Pillar</th>
<th>Board Liaison</th>
<th>Staff Liaison</th>
<th>Sample Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection</td>
<td>Board President</td>
<td>Assistant Library Director</td>
<td>Turnover rate, holds ratio, ILL requests, variable service cost</td>
</tr>
<tr>
<td>Communication</td>
<td>Board President</td>
<td>Community Relations Director / Internal Communications Director</td>
<td>Earned media recognition</td>
</tr>
<tr>
<td>Facilities</td>
<td>Building Committee Chair</td>
<td>Library Director / Finance &amp; Facilities Director</td>
<td>Annual operation cost, annual maintenance</td>
</tr>
<tr>
<td>Finance</td>
<td>Finance &amp; Audit Committee Chair / Fundraising &amp; Development Chair</td>
<td>Finance &amp; Facilities Director / Development Director</td>
<td>Days in A.P., days of cash on hand, ratio of unrestricted net assets, development overhead ratio to gifts</td>
</tr>
<tr>
<td>Personnel</td>
<td>Personnel Committee Chair</td>
<td>Human Resources Director</td>
<td>Employee satisfaction survey</td>
</tr>
<tr>
<td>Technology</td>
<td>Technology Committee Chair</td>
<td>Chief Technology Officer</td>
<td>Technology overhead costs, repair and maintenance costs, variable service cost</td>
</tr>
</tbody>
</table>
BUDGET STRUCTURE

The Library’s budget and accounting system is organized on a “fund basis.” Each fund is a separate self-balancing accounting entity. For budgeting purposes, the Library reports on a Generally Accepted Accounting Principles (GAAP) basis except for capital lease obligations. Under this basis, governmental funds’ revenues are recognized in the accounting period in which they become measurable and available, and expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. The proprietary fund’s revenues are recognized when earned (including unbilled revenue), and expenses are recorded when liabilities are incurred.

Budgets are prepared for each of the following fund types:

**Governmental Funds:**

- **General Fund** – This fund is the principal operating fund of the Library that accounts for all financial transactions not accounted for in other funds. The majority of the current operating expenditures of the Library are financed through revenues received by the General Fund. The balance of this fund is available to the Library for any purpose provided it is expended or transferred according to the Library’s policies and Missouri Statutes.

- **Capital Project Fund** – This fund is used to account for the acquisition of significant capital assets or the major construction/improvement of Library facilities. The financial resources of this fund’s expenditures come from the operating tax levy through budgeting or fund balance transferring, capital grants/contributions, and/or alternative financing.

- **Debt Service Fund** – This fund is established to account for debt principal repayment and interest of Series 2018 Certificates of Participation. All related expenses and interest income will also be accounted in this fund.

- **Special Revenue Funds** – These funds are used to account for revenues derived from specific grants, contributions, or other restricted revenue sources. The uses and limitations of each special revenue fund are specified by the Library Board, Federal and State Statutes, or other external restrictions.
  - Grant & Gift Fund
  - Community Foundation Fund – Truman Heartland Community Foundation and Greater Kansas City Community Foundation
  - James A. Leathers Scholarship Fund

- **Permanent Fund** – The Library currently has one permanent fund: Genealogy Endowment Fund. This fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used to support the Library.

**Proprietary Fund:**

- **Internal Service Fund (Self-Funded Health Insurance)** – This fund is used to account for the financing of goods or services provided by one department or agency to other departments or branches of the Library on a cost-reimbursement basis.
Annual budgets are prepared for all Library funds. The Capital Project Fund is budgeted on a project basis and any remaining unrestricted project fund balances are reappropriated at the beginning of each year and included in the annual budget. The Permanent Fund is also budgeted annually so that expenditures cannot exceed the unrestricted income.

The Board of Trustees of the Library reviews and approves the budget prior to the beginning of each year and establishes the appropriations for each fund. At any time during the budget year, the Board may approve a project to be funded from the Capital Project Fund. After the Board has adopted the budget, any revisions that alter the total appropriations within any fund must be approved by the Board. The Board has delegated purchase and expenditure approval to the Library’s administration for the daily operational needs.

**Budgetary Policies**

All budgetary policies are established by Missouri Statutes and/or the Library Board policy. Budgetary procedures are established by the Library administration. The implementation of policies and procedures is the responsibility of the Library Director.

**Applies to all Funds:**

- The Library is required by Missouri Statutes to prepare budgets for all funds. The final budget for the year must be filed with the County Commission of Clay and Platte Counties, and the County Executive office of Jackson County.
- On the third Tuesday of May, the Library Director submits to the Board a proposed budget for the fiscal year commencing the following July 1. On the third Tuesday of June, the Board adopts the final budget. If the Board fails to adopt the budget on or before that date, the budget as submitted or amended, goes into effect.
- The level at which the Board approves each budget becomes the “legal level of control.” This is the level at which transfer of appropriation requires Board action. For the General Fund, the Board approves the budget at the activity level, as follows: Payroll and Benefits, Library Materials, and Library Operations. All other funds are budgeted at the total expenditure level.
- Every year, each county provides a notice of aggregate assessed valuation for the Library to set the property tax levy. A public hearing on the tax levy is conducted at the Library to obtain taxpayer comments before the approval of the final budget.
- All rates for customer fines, fees, and other charges are established by the Board. Unencumbered appropriations lapse at year end and may be reappropriated at the beginning of the succeeding budget year.
- Library revenues and expenditures are monitored and reported to the Board monthly by the Finance and Facilities Director to determine if they are on target with estimates.
Applies only to the General Fund, “the principal operating fund”:

- By adopted Board policy, the target range of this fund’s unassigned fund balance is 20% to 50% of the subsequent year’s budget. This amount is needed to fund Library operations from the start of the new fiscal year until new revenue comes to the district toward the end of the calendar year. In the event that funds are not available to maintain the minimum balance, a designated amount in the General Fund’s budget shall be proposed to cover the deficiency over a period not to exceed five fiscal years. In the event the unassigned fund balance exceeds the maximum balance requirement, the excess may be utilized for any lawful purpose approved by the Board, including being transferred to the Capital Project Fund. (Please refer to the “fund balance statement” on page 19.)

Applies only to the Capital Project Fund:

- This fund is used to account for major capital projects only, typically defined as individual projects with a budget in excess of $50,000.
- Whenever real properties are sold, the proceeds are credited to the Capital Project Fund.

Applies only to the Debt Service Fund:

- The fund is used to account for debt repayments of the 2018 Series Certificates of Participation with a projected proceed of $80 million. The initial payment date is March 1, 2019, and the last payment date is March 1, 2039.
- The funding source of annual payment is from the General Fund, subject to annual appropriation by the Library Board.

Applies only to the Permanent Fund:

- Contributions made to the Genealogy Endowment Fund need to be deposited in this fund. One-third of the interest earnings are to be added to the principal, and the remaining two-thirds are to be spent on the collections at the Midwest Genealogy Center.

Applies only to the Internal Service Fund, the “Self-Funded Health Insurance Fund”:

- This fund is used to account the transactions of the Library employees’ health insurance plan. The Library is responsible for paying all claims under the plan, but purchases specific and aggregate stop loss to cover catastrophic events.
- The Library is intended to build up a contingency reserve as part of the net asset of the fund. Although it is an estimate for an event that has not—and may never occur—the contingency reserve can help maintain cost-effective and competitive benefits during periods of economic downturn, and/or high medical trend and rate increase occurring simultaneously. It also allows the medical plan more options when calculating the degree and amount of risk the Library is willing to assume on a self-funded basis.
The Library Board may authorize necessary fund transfers to this fund from the General Fund to cover any unexpected claims or to restore the contingency reserve.

**Budget Calendar:**

March  Budget requests are submitted to the Finance and Facilities Director.

April  The proposed personnel budget is presented to the Library Board.  
       The non-binding tax levy is submitted to Clay, Jackson, & Platte Counties 
       as required in RSMo 137.

May  The Proposed Annual Budget is presented to the Library Board and available to the public. 
       Board Committees review and modify the Proposed Annual Budget.

June  A public hearing on tax levy shall be held at the Library as required in RSMo 137. 
       Public comment on the budget is encouraged as part of the hearing. 
       The final Annual Budget is approved by the Library Board as outlined in section 182.645.

August  The final tax levy is submitted to Clay, Jackson, & Platte Counties, as outlined in RSMo 137.
Library Organization & Structure

Mid-Continent Public Library’s reporting entity has been defined in accordance with Chapter 182.610 of Missouri Revised Statutes as a Consolidated Library District. The mission of the Library is to enrich our citizens and communities through expanding access to innovation, information, ideas, and inspiration. The Library is governed by a 12-member Board of Trustees. By Missouri Statutes, each county in the Library District appoints four representatives with a four-year term to the Board. The Clay and Platte County Commissions and the Jackson County Executive make these appointments.

The history of Mid-Continent Public Library begins with the history of the individual county library districts. The amount of the operating levy is an important part of the history because the operating levy had to be the same in each district in order for them to consolidate.

Jackson County Public Library was established in 1947. In April 1963, its operating levy was increased from 10 cents to 20 cents per $100 assessed valuation. Platte County Public Library District, the first county library district in Missouri, was established in 1941 with 10 cents per $100 assessed valuation operating levy. Clay County Public Library District was not established until April 1965 with an operating levy of 20 cents per $100 assessed valuation.

On November 10, 1965, the recently established Clay County Public Library District and the Jackson County Public Library District agreed to operate jointly, as defined by Chapter 182.080 and Chapter 70.210 to 70.320 of the Missouri Revised Statutes, and formed Mid-Continent Public Library Service.

In order to become a full partner with Mid-Continent Public Library, Platte County asked its voters to raise the tax levy from 10 to 20 cents. In April of 1968, the levy was approved. On May 21, 1968, a new agreement was signed that included the three county Library districts: Clay, Jackson, and Platte. On September 17, 1968, the name was shortened from Mid-Continent Public Library Service to Mid-Continent Public Library.

In 1971, the Missouri Legislature passed the Consolidated Library law. Seven years later, on December 27, 1978, the Clay County Library District consolidated with the Jackson County Library District forming Consolidated Library District No. 3. On February 20, 1979, the Platte County Court voted to consolidate the Platte County Library District with Consolidated Library District No. 3, known as Mid-Continent Public Library.

On November 8, 2016, voters from all three counties approved a new operating levy of 40 cents per $100 assessed valuation for Mid-Continent Public Library.
Below is a breakout of the election results posted by the four separate election boards in the Library’s district.

<table>
<thead>
<tr>
<th>Prop L Results</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
<th>% Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clay County</td>
<td>62,609</td>
<td>42,644</td>
<td>105,253</td>
<td>59.5%</td>
</tr>
<tr>
<td>Jackson County</td>
<td>99,894</td>
<td>58,468</td>
<td>158,362</td>
<td>63.1%</td>
</tr>
<tr>
<td>Kansas City</td>
<td>30,505</td>
<td>13,244</td>
<td>43,749</td>
<td>69.7%</td>
</tr>
<tr>
<td>Platte County</td>
<td>28,474</td>
<td>19,578</td>
<td>48,052</td>
<td>59.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>221,482</strong></td>
<td><strong>133,934</strong></td>
<td><strong>355,416</strong></td>
<td><strong>62.3%</strong></td>
</tr>
</tbody>
</table>

The Library has reciprocity agreements with the North Kansas City Public Library, Ray County Public Library District, and Rolling Hills Consolidated Public Library to extend library use privileges to customers in those library districts. Reciprocity is also extended to customers serviced by any public library that has delivery service and belongs to the Mid-America Library Alliance.

The Mid-Continent Public Library system consists of the following 31 branches totaling 498,000 square feet:

- Antioch (AN)
- Blue Ridge (BR)
- Blue Springs North (BN)
- Blue Springs South (BS)
- Boardwalk (BW)
- Buckner (BU)
- Camden Point (CP)
- Claycomo (CL)
- Colbern Road (CR)
- Dearborn (DE)
- Edgerton (ED)
- Excelsior Springs (ES)
- Grain Valley (GN)
- Grandview (GV)
- Kearney (KE)
- Lee’s Summit (LS)
- Liberty (LI)
- Lone Jack (LJ)
- North Oak (NO)
- Oak Grove (OG)
- Parkville (PV)
- Platte City (PC)
- Raytown (RT)
- Red Bridge (RB)
- Riverside (RS)
- Smithville (SM)
- South Independence (SI)
- Weston (WE)
- Woodneath (WN)

All of the above branches offer a wide variety of programs and services aimed at meeting expectations of customers ranging from preschool-aged children to senior citizens.

With storytelling as a service enhancement, the Library is able to offer new and exciting programs and services through The Story Center inside the Woodneath Library Center. Established in 2013, The Story Center celebrates and develops writers, performers, and filmmakers through access to free resources, workshops, and a community of storytellers. The Woodneath Press and Espresso Book
Machine (EBM) are two important facets of The Story Center. The award-winning Woodneath Press serves as the Library’s in-house publishing division, working with authors of various backgrounds and genres to develop and distribute professionally published works. The Espresso Book Machine, used by the Woodneath Press to print books on demand, is a state-of-the-art device that prints, binds, and trims paperback books.

In addition, the Library operates three unstaffed self-service sites called “Library-To-Go.” The services at the “Library-To-Go” sites consist of an automated material handling system and computers with access to the Library catalog, databases, and internet. Although they only offer abbreviated services, the Library considers Library-To-Go sites to be Library branches, as well. This new concept in library service is offered at the locations of three local community centers: Hillcrest Community Center, Marlborough Community Center, and Platte County Resource Center. Through this service model, the Library can extend services to underserved and at-risk communities for a fraction of what it would cost to build or establish a new library building.
Consolidated Library District No. 3

Known as

Mid-Continent Public Library

Board of Trustees

June 30, 2018

Ms. Joycelyn Tucker Burgo, Jackson County, President
Ms. Cheryl McGinness, Platte County, Vice President
  Ms. Michelle Wycoff, Clay County, Treasurer
  Mr. Gordon Cook, Platte County
  Mr. John W. Laney, Jackson County
  Ms. Jane Rinehart, Clay County
  Mr. Steve Roling, Jackson County
  Mr. Brent Schondelmeyer, Jackson County
  Mr. Trent Skaggs, Clay County
  Mr. Ronald Thiewes, Clay County
  Mr. Lee Valentine, Platte County
  Ms. Rita Wiese, Platte County

Senior Administrative Staff

Steven Potter  Library Director and CEO
Susan Wray    Assistant Library Director and COO
Don Bridgforth Human Resource Director
Qun Fang      Finance and Facilities Director and CFO
Bryan Gash    Chief Technology Officer
Teresa Johnson Internal Communications Director
Ritchie Momon Chief Experience Officer
Diana Reiter  Fundraising and Development Director
Jim Staley    Community Relations and Planning Director
## Budget Summary of Revenues, Expenditures, and Changes in Fund Balance
### All Governmental Funds
### For FY 2018-2019

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Capital Project Fund</th>
<th>Grant &amp; Gift Fund</th>
<th>Debt Service Fund</th>
<th>James A. Leathers Scholarship Fund</th>
<th>Community Foundation Fund</th>
<th>Genealogy Endowment</th>
<th>Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>$27,696,323</td>
<td>$94,803,484</td>
<td>$9,340</td>
<td>$ -</td>
<td>$23,600</td>
<td>$291,600</td>
<td>$43,762</td>
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<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Property Taxes</td>
<td>47,870,328</td>
<td>-</td>
<td>-</td>
<td>7,500,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Grants &amp; Contributions</td>
<td>675,000</td>
<td>1,029,000</td>
<td>597,475</td>
<td>-</td>
<td>-</td>
<td>6,150</td>
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<tr>
<td>Interest on Investments</td>
<td>275,000</td>
<td>250,000</td>
<td>-</td>
<td>20,000</td>
<td>200</td>
<td>3,000</td>
<td>50</td>
</tr>
<tr>
<td>Fines, Fees, and Other</td>
<td>680,000</td>
<td>-</td>
<td>12,000</td>
<td>-</td>
<td>-</td>
<td>692,000</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous Income</td>
<td>50,000</td>
<td>615,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>49,550,328</td>
<td>1,894,000</td>
<td>609,475</td>
<td>7,520,000</td>
<td>200</td>
<td>9,150</td>
<td>50</td>
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<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Payroll and Benefits</td>
<td>29,319,588</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Library Materials</td>
<td>11,000,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Library Operations</td>
<td>9,230,740</td>
<td>-</td>
<td>299,225</td>
<td>6,587,210</td>
<td>2,000</td>
<td>5,000</td>
<td>-</td>
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<tr>
<td>Capital Projects</td>
<td>-</td>
<td>36,555,878</td>
<td>310,000</td>
<td>-</td>
<td>-</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>49,550,328</td>
<td>36,555,878</td>
<td>609,225</td>
<td>6,587,210</td>
<td>2,000</td>
<td>25,000</td>
<td>-</td>
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<tr>
<td><strong>Transfers In (Out):</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Changes in Fund Balance:</strong></td>
<td>-</td>
<td>(34,661,878)</td>
<td>250</td>
<td>932,790</td>
<td>(1,800)</td>
<td>(15,850)</td>
<td>50</td>
</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>$27,696,323</td>
<td>$60,141,606</td>
<td>$9,590</td>
<td>$932,790</td>
<td>$21,800</td>
<td>$275,750</td>
<td>$43,812</td>
</tr>
</tbody>
</table>

**Page # of Budget Details:** 21-22 48 52 49 53 51 54
Instead of considering the budget by line item, the budget can also be considered by the services the
Library provides. The entire budgeted expenditure of $93,329,641 can be divided among six core
programs (or services): Materials & Lending, Programming & Information Services, Public
Technology, Public Space, Community Involvement, and Support Services. All six programs are
closely tied to the mission, goals, and objectives of the Library.

1. Materials & Lending (6010)
   This program includes the Library’s acquisition, classification, and maintenance of the Library’s
   lending collection. This includes borrowing and lending to other libraries, the creation of online
   records, and the inventory maintenance and control of the collection, along with the actual purchase
   and loaning of digital and physical library materials.

2. Programming & Information Services (6020)
   This program includes the Library’s acquisition and maintenance of the Library’s digital collection,
   events, and information-based programming. This category also includes online learning, online
   research, and mission-enhancement programming like Square One Small Business Services, The
   Story Center, and reading initiatives (e.g. the Summer Learning Program).

3. Public Technology (6030)
   This program includes public access to technology, which encompasses public Wi-Fi, computers,
   copy machines/printers, public fax machines, and other similar services.

4. Public Space (6040)
   This program includes the Library’s physical presence as a programming element and public
   destination. This category includes utilities, insurance, lawn care, snow removal, and other
   contracted services.

5. Community Involvement (6050)
   This program includes the efforts that the Library undertakes as a community connector.
   Programming and initiatives are designed to connect people with information, with other
   components of the community, to foster collaboration, and to build stronger communities.

6. Support Services (8000)
   This program includes overhead that is associated with managing a public service organization.
   Expenses like continuing education, resource development, insurance, telecommunication, and the
   associated personnel are found in this category.
## Total Budget by Programs
### FY 2018-19

<table>
<thead>
<tr>
<th>Program</th>
<th>Total Budget</th>
<th>Material Lending</th>
<th>Programming &amp; Info Serv.</th>
<th>Public Technology</th>
<th>Public Space</th>
<th>Community Involvement</th>
<th>Support Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll &amp; Benefits</td>
<td>$29,319,588</td>
<td>$15,832,578</td>
<td>$6,157,113</td>
<td>$2,052,371</td>
<td>$1,172,784</td>
<td>$1,759,175</td>
<td>$2,345,567</td>
</tr>
<tr>
<td>Library Materials</td>
<td>$11,000,000</td>
<td>7,864,695</td>
<td>3,135,305</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5260 Leased Space</td>
<td>52,160</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5270 Leased Equipment</td>
<td>65,825</td>
<td>4,425</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5300 Furniture and Equipment</td>
<td>225,910</td>
<td>137,565</td>
<td>25,595</td>
<td>28,000</td>
<td>6,720</td>
<td>450</td>
<td>27,580</td>
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<tr>
<td>5320 Vehicle Operations</td>
<td>431,265</td>
<td>65,000</td>
<td>310,000</td>
<td></td>
<td>49,265</td>
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<td>7,000</td>
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<tr>
<td>5330 Technology Services</td>
<td>1,677,021</td>
<td>518,847</td>
<td>130,000</td>
<td>453,446</td>
<td></td>
<td></td>
<td>574,728</td>
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<td>250,075</td>
<td>59,000</td>
<td>65,000</td>
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</tr>
<tr>
<td>5420 Resource Development</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5430 Community Relations &amp; Planning</td>
<td>400,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>5440 Library Engagement Services</td>
<td>756,375</td>
<td></td>
<td></td>
<td></td>
<td>756,375</td>
<td></td>
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<tr>
<td>5450 Contracted Services</td>
<td>1,416,445</td>
<td></td>
<td></td>
<td></td>
<td>1,274,801</td>
<td></td>
<td>141,644</td>
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<tr>
<td>5460 Professional Fees</td>
<td>250,000</td>
<td>30,000</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5470 Continuing Educ, &amp; Conventions</td>
<td>258,925</td>
<td>33,325</td>
<td>40,350</td>
<td></td>
<td>17,600</td>
<td></td>
<td>167,650</td>
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<tr>
<td>5490 Membership and Dues</td>
<td>65,409</td>
<td>23,500</td>
<td></td>
<td></td>
<td>16,159</td>
<td></td>
<td>25,750</td>
</tr>
<tr>
<td>5510 Utilities</td>
<td>1,275,000</td>
<td></td>
<td></td>
<td>1,083,000</td>
<td></td>
<td></td>
<td>192,000</td>
</tr>
<tr>
<td>5540 Postage and Freight</td>
<td>275,000</td>
<td>270,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,000</td>
</tr>
<tr>
<td>5570 Voice, Data &amp; Internet</td>
<td>801,390</td>
<td>272,200</td>
<td>77,095</td>
<td>63,000</td>
<td></td>
<td></td>
<td>389,095</td>
</tr>
<tr>
<td>5660 Building Repair &amp; Maintenance</td>
<td>523,515</td>
<td></td>
<td></td>
<td>457,015</td>
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<td></td>
<td>66,500</td>
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<tr>
<td>5740 Travel and Transportation</td>
<td>130,000</td>
<td>39,000</td>
<td>52,000</td>
<td></td>
<td></td>
<td></td>
<td>39,000</td>
</tr>
<tr>
<td>5770 Insurance</td>
<td>377,600</td>
<td>94,400</td>
<td>94,400</td>
<td>94,400</td>
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<td></td>
<td>94,400</td>
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<tr>
<td>5800 Miscellaneous / Debt Service</td>
<td>6,592,210</td>
<td>2,500</td>
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<td></td>
<td></td>
<td></td>
<td>6,589,710</td>
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<tr>
<td>7020 Buildings</td>
<td>35,575,878</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>35,575,878</td>
</tr>
<tr>
<td>7030 Land</td>
<td>1,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,000,000</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$93,329,641</strong></td>
<td><strong>$25,449,035</strong></td>
<td><strong>$10,951,213</strong></td>
<td><strong>$2,669,912</strong></td>
<td><strong>$40,891,023</strong></td>
<td><strong>$2,343,434</strong></td>
<td><strong>$11,025,024</strong></td>
</tr>
<tr>
<td>% of FY 2018-19 Total Budget</td>
<td></td>
<td>27.3%</td>
<td>11.7%</td>
<td>2.9%</td>
<td>43.8%</td>
<td>2.5%</td>
<td>11.8%</td>
</tr>
</tbody>
</table>
The Library Board has established a Fund Balance Policy on the reporting and classifying of fund balances within governmental funds. The categories and classifications of General Fund balance and Capital Project Fund balance at the end of the fiscal year 2017-18 are presented as follows:

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Capital Project Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nonspendable:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid expenditures</td>
<td>$300,000</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Restricted for:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Assigned to:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensated absences:</td>
<td>2,250,000</td>
<td>-</td>
</tr>
<tr>
<td>Special account for the Story Center</td>
<td>15,000</td>
<td>-</td>
</tr>
<tr>
<td>Woodneath historic home - Private donation</td>
<td>-</td>
<td>136,000</td>
</tr>
<tr>
<td>Woodneath historic home - Kemper (remaining)</td>
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<td>50,000</td>
</tr>
<tr>
<td>Woodneath historic home</td>
<td>-</td>
<td>307,134</td>
</tr>
<tr>
<td>Other capital projects</td>
<td>-</td>
<td>810,350</td>
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<tr>
<td>Emergency repair</td>
<td>500,000</td>
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</tr>
<tr>
<td>Long-term capital plan</td>
<td>3,700,000</td>
<td>93,500,000</td>
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<tr>
<td><strong>Unassigned:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library operating:</td>
<td>20,931,323</td>
<td>-</td>
</tr>
</tbody>
</table>

**Fund balances as of June 30, 2018**

$27,696,323  $94,803,484

The unassigned General Fund’s balance is the residual net resources after nonspendable, restricted, and assigned, and is at 42% of next year’s operating budget. The target range of this portion of the fund balance is 20% to 50% of the subsequent year’s operating budget. Until substantial tax revenues are received in December, the Library utilizes this unassigned fund balance to fund its operations.
For the seventh consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Mid-Continent Public Library for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended on June 30, 2017. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable, and efficiently organized, comprehensive annual financial report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.
## General Fund Detail Statement of Revenues and Expenditures

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3210 Property Tax - Clay</td>
<td>$12,677,804</td>
<td>$15,886,990</td>
<td>$16,024,525</td>
</tr>
<tr>
<td>3230 Property Tax - Jackson</td>
<td>22,111,913</td>
<td>28,833,060</td>
<td>29,026,110</td>
</tr>
<tr>
<td>3250 Property Tax - Platte</td>
<td>7,632,873</td>
<td>10,229,910</td>
<td>10,319,693</td>
</tr>
<tr>
<td>3260 Property Tax - adjustment</td>
<td>17,100</td>
<td>(7,750,000)</td>
<td>(7,500,000)</td>
</tr>
<tr>
<td><strong>Property Taxes</strong></td>
<td>$42,439,690</td>
<td>$47,199,960</td>
<td>$47,870,328</td>
</tr>
<tr>
<td>3290 MO Athlete &amp; Entertainment Tax</td>
<td>48,000</td>
<td>47,000</td>
<td>50,000</td>
</tr>
<tr>
<td>3330 Grants</td>
<td>47,007</td>
<td>-</td>
<td>50,000</td>
</tr>
<tr>
<td>3350 State Aid</td>
<td>91,851</td>
<td>290,000</td>
<td>300,000</td>
</tr>
<tr>
<td>3430 Telecom E-Rate</td>
<td>468,592</td>
<td>370,000</td>
<td>250,000</td>
</tr>
<tr>
<td>3500 Contributions</td>
<td>22,792</td>
<td>10,000</td>
<td>25,000</td>
</tr>
<tr>
<td><strong>Grants &amp; Contributions</strong></td>
<td>$678,242</td>
<td>$717,000</td>
<td>$675,000</td>
</tr>
<tr>
<td>3370 Investment Income</td>
<td>60,704</td>
<td>250,000</td>
<td>275,000</td>
</tr>
<tr>
<td>3390 Fines, Fees and Other</td>
<td>715,256</td>
<td>750,000</td>
<td>680,000</td>
</tr>
<tr>
<td>3800 Miscellaneous Income</td>
<td>106,821</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>3850 Membership</td>
<td>6,774</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$44,007,487</td>
<td>$48,966,960</td>
<td>$49,550,328</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5010 Payroll</td>
<td>$17,764,889</td>
<td>$19,449,660</td>
<td>$21,609,293</td>
</tr>
<tr>
<td>5030 Social Security</td>
<td>1,342,250</td>
<td>1,536,523</td>
<td>1,653,111</td>
</tr>
<tr>
<td>5050 Unemployment Compensation</td>
<td>97</td>
<td>7,000</td>
<td>15,000</td>
</tr>
<tr>
<td>5060 Tuition Reimbursement</td>
<td>21,070</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>5070 Retirement</td>
<td>2,305,370</td>
<td>2,461,880</td>
<td>2,695,616</td>
</tr>
<tr>
<td>5080 Medical Insurance</td>
<td>2,580,489</td>
<td>2,698,365</td>
<td>3,000,000</td>
</tr>
<tr>
<td>5090 Life and Disability Insurance</td>
<td>60,274</td>
<td>68,000</td>
<td>79,413</td>
</tr>
<tr>
<td>5100 Employee Assistance Program</td>
<td>9,700</td>
<td>19,000</td>
<td>19,755</td>
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<tr>
<td>5110 Employee Resources</td>
<td>162,240</td>
<td>170,000</td>
<td>217,400</td>
</tr>
<tr>
<td><strong>Payroll and Benefits</strong></td>
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<td>$29,319,588</td>
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<tr>
<td>5150 Books</td>
<td>2,594,964</td>
<td>3,003,975</td>
<td>3,291,445</td>
</tr>
<tr>
<td>5160 Electronic Books</td>
<td>1,301,788</td>
<td>1,350,000</td>
<td>1,250,000</td>
</tr>
<tr>
<td>5180 Periodicals</td>
<td>300,460</td>
<td>330,000</td>
<td>315,000</td>
</tr>
<tr>
<td>5190 Microfilm</td>
<td>15,155</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>5200 Electronic Resources</td>
<td>2,763,480</td>
<td>2,855,000</td>
<td>2,597,305</td>
</tr>
<tr>
<td>5230 A-V Materials</td>
<td>1,490,590</td>
<td>1,791,000</td>
<td>2,007,250</td>
</tr>
<tr>
<td>5240 Library Material Processing</td>
<td>868,173</td>
<td>941,000</td>
<td>1,001,000</td>
</tr>
<tr>
<td>5250 Live Programs</td>
<td>273,262</td>
<td>320,000</td>
<td>518,000</td>
</tr>
<tr>
<td><strong>Library Materials</strong></td>
<td>$9,607,872</td>
<td>$10,610,975</td>
<td>$11,000,000</td>
</tr>
</tbody>
</table>

(Continued)
## General Fund Detail Statement of Revenues and Expenditures

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>5260 Leased Space</td>
<td>60,730</td>
<td>56,400</td>
<td>52,160</td>
</tr>
<tr>
<td>5270 Leased Equipment</td>
<td>91,474</td>
<td>50,090</td>
<td>65,825</td>
</tr>
<tr>
<td>5300 Furniture and Equipment</td>
<td>150,130</td>
<td>295,000</td>
<td>225,910</td>
</tr>
<tr>
<td>5320 Vehicle Operations</td>
<td>53,868</td>
<td>180,000</td>
<td>121,265</td>
</tr>
<tr>
<td>5330 Technology Services</td>
<td>1,366,363</td>
<td>1,900,000</td>
<td>1,677,021</td>
</tr>
<tr>
<td>5380 Library and Office Supplies</td>
<td>563,940</td>
<td>608,570</td>
<td>710,075</td>
</tr>
<tr>
<td>5420 Resource Development</td>
<td>124,970</td>
<td>155,000</td>
<td>145,050</td>
</tr>
<tr>
<td>5430 Community Relations and Planning</td>
<td>321,132</td>
<td>375,000</td>
<td>400,000</td>
</tr>
<tr>
<td>5440 Library Engagement Services</td>
<td>284,782</td>
<td>400,000</td>
<td>457,150</td>
</tr>
<tr>
<td>5450 Contracted Services</td>
<td>1,066,326</td>
<td>1,075,750</td>
<td>1,416,445</td>
</tr>
<tr>
<td>5460 Professional Fees</td>
<td>280,281</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>5470 Continuing Edu. &amp; Conventions</td>
<td>131,190</td>
<td>195,000</td>
<td>256,925</td>
</tr>
<tr>
<td>5490 Membership and Dues</td>
<td>68,272</td>
<td>55,000</td>
<td>65,409</td>
</tr>
<tr>
<td>5510 Utilities</td>
<td>1,020,313</td>
<td>1,139,960</td>
<td>1,275,000</td>
</tr>
<tr>
<td>5540 Postage and Freight</td>
<td>239,882</td>
<td>210,000</td>
<td>275,000</td>
</tr>
<tr>
<td>5570 Voice, Data &amp; Internet</td>
<td>988,950</td>
<td>930,210</td>
<td>801,390</td>
</tr>
<tr>
<td>5660 Building Repair &amp; Maintenance</td>
<td>479,827</td>
<td>560,000</td>
<td>523,515</td>
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<tr>
<td>5740 Travel and Transportation</td>
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<td>130,000</td>
</tr>
<tr>
<td>5770 Insurance</td>
<td>374,204</td>
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<td>377,600</td>
</tr>
<tr>
<td>5800 Miscellaneous Services</td>
<td>562,459</td>
<td>10,000</td>
<td>5,000</td>
</tr>
</tbody>
</table>

Library Operations: 8,363,768 8,947,450 9,230,740

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenditures</td>
<td>$42,218,019</td>
<td>$45,998,853</td>
<td>$49,550,328</td>
</tr>
</tbody>
</table>

Excess (Deficiency) of Revenues Over (Under)

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditures:</td>
<td>$912,504</td>
<td>$2,968,107</td>
<td>$-</td>
</tr>
<tr>
<td>Net Fund Transfer</td>
<td>(222,237)</td>
<td>(832,000)</td>
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</tr>
<tr>
<td>Net Changes in Fund Balance</td>
<td>$690,267</td>
<td>$2,136,107</td>
<td>$-</td>
</tr>
</tbody>
</table>
General Fund

Fund Description:

The General Fund represents the Library’s operating budget. It is used to account for all financial resources, except those required to be accounted for in another fund. It reflects most of the critical issues affecting the Library, from establishing the level of service to determining the needs for staffing and benefits.

The new fiscal year will start with an unassigned fund balance of $20,931,323. Before the substantial tax revenues for Fiscal Year 2018-19 are received beginning in December 2018, the Library needs to utilize this fund balance to operate.

Revenues:

Fiscal year 2018-19 General Fund budgeted revenues as compared to the previous year’s actual revenues are as follows:

<table>
<thead>
<tr>
<th>Source</th>
<th>2018-19 Budget</th>
<th>2017-18 Estimate</th>
<th>% Inc/Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>$47,870,328</td>
<td>$47,199,960</td>
<td>1.4%</td>
</tr>
<tr>
<td>Grants and Contributions</td>
<td>675,000</td>
<td>717,000</td>
<td>-5.9%</td>
</tr>
<tr>
<td>Fines, Fees, and Other</td>
<td>680,000</td>
<td>750,000</td>
<td>-9.3%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>275,000</td>
<td>250,000</td>
<td>10.0%</td>
</tr>
<tr>
<td>Miscellaneous Income</td>
<td>50,000</td>
<td>50,000</td>
<td>0.0%</td>
</tr>
<tr>
<td>Totals</td>
<td>$49,550,328</td>
<td>$48,966,960</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

As can be seen from the above projection, the General Fund’s revenue is expected to have a 1.2% increase from the previous year’s actual. The budgeted Property Tax revenue in General Fund is based on a tax levy of 40 cents per $100 assessed valuation with additional $7,500,000 of new tax revenue budgeted in the Debt Service Fund.

The Underlying Revenue Assumptions for these Revenue Sources are as follows:

**Property Tax - Clay** – This source of revenue encompasses all taxes from Clay County, including: Real Estate, Personal, Railroad & Utilities, Financial Institution, Replacement, Payment in Lieu of Taxes, and Interests. Based on the county’s assessment and the historical trend, the Library projects a 0.9% increase in total tax revenues.

**Property Tax - Jackson** – This source of revenue encompasses all taxes from Jackson County, including: Real Estate, Personal, Railroad & Utilities, Financial Institution, Replacement, Payment in Lieu of Taxes, and Interests. Based on the county’s assessment and the historical trend, the Library projects a 0.7% increase in total tax revenues.
**Property Tax - Platte** – This source of revenue encompasses all taxes from Platte County, including: Real Estate, Personal, Railroad & Utilities, Financial Institution, Replacement, Payment in Lieu of Taxes, and Interests. Based on the county’s assessment and the historical trend, the Library projects a 0.9% increase in total tax revenues.

**Grants and Contributions** – Missouri Athlete and Entertainers Tax and State Aid to Public Libraries are appropriated by the State General Assembly and administrated by the State Library. Telecom E-Rate Reimbursement is a federal grant to offset the internet access and broadband connection cost (approximately 80% of the cost of the eligible services). Contributions are budgeted based on past experiences and fundraising efforts. Major grants and gifts will be budgeted in Grant and Gift Fund of the Special Revenue Funds, and Capital Project Fund.

**Fines, Fees, and Other** – This source of revenue trends with the circulation of Library materials and the economy and is expected to have a decrease from in-library sales of book bags, flash drives, earbuds, and printing/copying/faxing services due to the closing of some branches for renovation. The Library will continue to have a contracted service for collecting late fees and lost materials from customers.

**Investment Income** – The Library has contracted an investment management firm to invest its funds in a manner that will provide the highest investment return with the maximum security, while meeting the daily cash flow needs and complying with all state statutes governing the investment of public funds.

**Miscellaneous Income** – The majority of this revenue is from the sale of discarded Library materials, meeting room rental, auction of obsolete furniture and equipment, and the Library’s special book printing service. The proceeds will be spent on acquiring new Library materials.

The total budgeted operating revenue is $49,550,328, or a 1.3% increase from the previous year.
Expenditures:

Fiscal year 2018-19 General Fund budgeted expenditures as compared to the previous year’s actual expenditures are as follows:

<table>
<thead>
<tr>
<th>Activities</th>
<th>2018-19 Budget</th>
<th>2017-18 Estimate</th>
<th>% Inc/Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll and Benefits</td>
<td>$29,319,588</td>
<td>$26,440,428</td>
<td>10.9%</td>
</tr>
<tr>
<td>Library Materials</td>
<td>11,000,000</td>
<td>10,610,975</td>
<td>3.7%</td>
</tr>
<tr>
<td>Library Operations</td>
<td>9,230,740</td>
<td>8,947,450</td>
<td>3.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$49,550,328</strong></td>
<td><strong>$45,998,853</strong></td>
<td><strong>7.7%</strong></td>
</tr>
</tbody>
</table>

Operating expenditures of $49,550,328 are proposed for FY 2018-19 based on the revenue projections.

Payroll and Benefits – The new fiscal year’s budget for Payroll and Benefits will increase by 10.9%. This increase will allow the Library to fund new positions for enhanced services, and to take steps to adjust the pay scale closer to the fair market value. For further information, please refer to the Payroll and Benefits section.

Library Materials – As 22.2% of the operating budget, it will continue to be one of the highest in the nation in terms of the percentage of overall budget, according to the Public Library Data Services Survey. This reflects a 3.7% budgetary increase over the previous year. For further information, please refer to the Library Materials section.

Library Operations – The new fiscal year’s budget in this category will increase by 3.2% over last year’s actual. The majority of the increase is from Contracted Services, Utilities, and Postage and Freight account.

Below are those fund accounts that warrant mention:

**Leased Space (5260):** The Library has the following facility leases for branch services and storage:

- Boardwalk Branch $ 2,000
- Grain Valley Branch 42,360
- Offsite Storage 7,800

**Total** $52,160

**Leased Equipment (5270):** The Library periodically leases specialized equipment and computers if depreciation warrants lease rather than purchase. Identified leases for the new fiscal year are summarized below:

- Mailing machine $ 4,425
- Print Shop equipment 56,400
- Other 5,000

**Total** $65,825
**Furniture and Equipment (5300):** This account includes any furniture and equipment purchased by the Library costing over $300 per item. Below are the major categories of such purchases:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and Equipment for branches</td>
<td>$127,805</td>
</tr>
<tr>
<td>HQ office furniture</td>
<td>36,105</td>
</tr>
<tr>
<td>Equipment maintenance services</td>
<td>62,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$225,910</strong></td>
</tr>
</tbody>
</table>

**Library and Office Supplies (5380):** This account includes cleaning and bathroom supplies, office and programming supplies, and any furniture or equipment under $300 per item. The Library has committed to explore safer, cost-efficient, and eco-friendly products or services. Below are the major categories of such purchases:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch supplies</td>
<td>$233,575</td>
</tr>
<tr>
<td>Cleaning supplies</td>
<td>65,000</td>
</tr>
<tr>
<td>Inventory for in-library sales</td>
<td>16,500</td>
</tr>
<tr>
<td>Labels for self pick-up holds</td>
<td>100,000</td>
</tr>
<tr>
<td>Library cards</td>
<td>50,000</td>
</tr>
<tr>
<td>Delivery/Mailroom supplies</td>
<td>12,500</td>
</tr>
<tr>
<td>Cataloging supplies</td>
<td>98,500</td>
</tr>
<tr>
<td>Printing and paper supplies</td>
<td>119,000</td>
</tr>
<tr>
<td>Other</td>
<td>15,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$710,075</strong></td>
</tr>
</tbody>
</table>

**Resource Development (5420):** The Library recognizes the need for revenue diversification and increased private investment to achieve the organizational vision and mission. The Resource Development budget supports the work of identifying, obtaining, and properly stewarding new sources of funding acquired outside of tax-related revenues. The account provides funds for costs associated with donor identification, cultivation, recognition, and retention including, but not limited to, fundraising campaigns, direct mail, and special events. Other budget items related to this account include fundraising-related marketing and consulting assistance focused on capital campaign fundraising and management of RE NXT (fundraising software).

In fiscal year 2018-19, fundraising strategies will focus on completing the capital campaign for the adaptive reuse of the Woodneath historic home and National Endowment for the Humanities Challenge Grant match, managing and enhancing grant prospects and awards (with emphasis on supporting Purpose-Based Library initiatives) and growing opportunities for endowment and planned giving.
The total budget for this account is $145,050 as detailed below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual fund mailing</td>
<td>$10,000</td>
</tr>
<tr>
<td>Contract/consulting</td>
<td>$50,000</td>
</tr>
<tr>
<td>Cultivation</td>
<td>$10,000</td>
</tr>
<tr>
<td>Legacy luncheon</td>
<td>$19,050</td>
</tr>
<tr>
<td>Marketing/promotion</td>
<td>$21,000</td>
</tr>
<tr>
<td>Woodneath Capital Campaign Events</td>
<td>$35,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$145,050</strong></td>
</tr>
</tbody>
</table>

**Community Relations and Planning (5430):** The Library believes that a critical component of good service to our customers is to understand who they are and inform them about all of the resources we have to offer through in-branch messaging channels, digital communication, social media, public relations, and paid and earned media. Activities in this account include research and planning around service needs and customer satisfaction, public information initiatives, general library promotion related to resources and programs, tactics to increase the number of active cardholders, and the creation of tools to decrease barriers to access.

Highlights for next year’s budget are updates on new services as well as support for early literacy, adult, youth, general and business programs, construction projects, and other initiatives. In addition, communications strategies are in place to help inform the public about the improvements in facilities and materials being added because of the increase in the Library’s funding through Proposition L, as well as the services and resources already available that customers may not know about.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General marketing</td>
<td>$50,000</td>
</tr>
<tr>
<td>Communications</td>
<td>$25,000</td>
</tr>
<tr>
<td>Outsourced printing</td>
<td>$82,000</td>
</tr>
<tr>
<td>Genealogy marketing</td>
<td>$27,000</td>
</tr>
<tr>
<td>Data collection</td>
<td>$38,500</td>
</tr>
<tr>
<td>Advertising/goal marketing</td>
<td>$170,500</td>
</tr>
<tr>
<td>Misc expenses</td>
<td>$7,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$400,000</strong></td>
</tr>
</tbody>
</table>

**Library Engagement Services (5440):** Starting this fiscal year, all three budgets for reading initiatives, information and readers’ services, and The Story Center will have been combined in this new account.

As part of the Library’s reading initiatives, the Summer Learning Program (“SLP”) is a 10-week program that encourages creative exploration, active skill building, and critical thinking skills to help decrease the “summer slide” that occurs when students are away from the classroom for an extended period of time. In 2017, 18,681 individuals (77.6% of all those registered) participated in the Summer Learning Program, and 15,782 children and teens completed the program. Of the participants who registered, 84.5% earned at least 250 points from logging minutes/books read, completing literacy activities, and attending programs. The Library continues to share SLP participant information with
nine school districts in its service area. Preliminary reports indicate that participation in the Library’s SLP does have a positive outcome on the fall reading test scores.

The Reading Rocket, a mobile early literacy vehicle, takes early literacy programming, training, and resources out to underserved parts of the Library’s service area—focusing primarily on transportation deserts. In 2017, the Reading Rocket had over 16,000 visitors at 157 individual events in Jackson, Clay, and Platte Counties. Each visitor to the Reading Rocket receives an early literacy-rich program experience and a gently used book to keep for their home library. The budget also includes staff training and equipment for early literacy, grade level reading, and school-aged program facilitation.

The Library’s Information and Readers’ Services department focuses on community engagement in the form of adult reading programs, such as the increasingly popular Winter Reading Challenge, as well as Square One Small Business Services, Library-By-Mail for the homebound, and Book Group Services for in-system branches as well as for small libraries across the state of Missouri. This budget enables Square One business specialists to attend business expos and other business outreach events, allowing them to spread the word about resources the Library has to offer. In addition, this fund covers all the supplies, postage, and promotional materials Library-By-Mail needs to serve homebound customers who cannot reach their local branch through traditional means. Book Group Services purchases sets of discussable titles and organizational supplies that help book group facilitators provide quality discussions. The yearly Winter Reading Challenge prize—a limited-edition mug—is also funded by this budget. Finally, this budget covers staff trainings in readers’ advisory, including the system-wide Readers’ Advisory Certification Program, which is open to staff at every level.
The operating budget for this account is $457,150. Identified services are summarized below:

<table>
<thead>
<tr>
<th>Project code</th>
<th>Project/Service Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>5004</td>
<td>Summer Learning Program</td>
<td>$308,000</td>
</tr>
<tr>
<td>5004</td>
<td>Reading Boosters Grade Level Reading program</td>
<td>$1,500</td>
</tr>
<tr>
<td>5004</td>
<td>YSD and Branch Staff training</td>
<td>$5,000</td>
</tr>
<tr>
<td>5004</td>
<td>YSD Booking Support</td>
<td>$4,000</td>
</tr>
<tr>
<td>5004</td>
<td>Southeast Enterprise</td>
<td>$6,200</td>
</tr>
<tr>
<td>5004</td>
<td>YSD Literacy Initiatives</td>
<td>$1,500</td>
</tr>
<tr>
<td>5004</td>
<td>YSD Outreach</td>
<td>$4,500</td>
</tr>
<tr>
<td>5004</td>
<td>Reading Rocket</td>
<td>$6,400</td>
</tr>
<tr>
<td>5004</td>
<td>SLP Effectiveness Study</td>
<td>$50,100</td>
</tr>
<tr>
<td>5004</td>
<td>Branch Program Equipment Support</td>
<td>$9,500</td>
</tr>
<tr>
<td>5007</td>
<td>I.R.S. Marketing</td>
<td>$3,000</td>
</tr>
<tr>
<td>5007</td>
<td>Winter Reading Challenge</td>
<td>$20,000</td>
</tr>
<tr>
<td>5007</td>
<td>Reader's Advisory Certification</td>
<td>$8,000</td>
</tr>
<tr>
<td>5007</td>
<td>Book Group In-Service</td>
<td>$500</td>
</tr>
<tr>
<td>5007</td>
<td>LBM Promotional Material</td>
<td>$1,200</td>
</tr>
<tr>
<td>5007</td>
<td>Supplies: LBM, Book Groups, Square One</td>
<td>$7,000</td>
</tr>
<tr>
<td>5007</td>
<td>Postage</td>
<td>$1,300</td>
</tr>
<tr>
<td>5007</td>
<td>Business Outreach</td>
<td>$5,000</td>
</tr>
<tr>
<td>5007</td>
<td>Business Expos</td>
<td>$600</td>
</tr>
<tr>
<td>5007</td>
<td>I.R.S. Staff Training</td>
<td>$2,000</td>
</tr>
<tr>
<td>1005</td>
<td>Special Supplies for the Story Center</td>
<td>$11,850</td>
</tr>
</tbody>
</table>

$457,150

**Contracted Services (5450):** This account was created to report outsourced services: lawn care, branch security, and building cleaning. We believe that through outsourcing the Library can access skilled expertise, focus on core activities, and increase efficiency. Identified services are summarized below:

<table>
<thead>
<tr>
<th>Project code</th>
<th>Project/Service Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>5007</td>
<td>Snow Removal</td>
<td>$120,000</td>
</tr>
<tr>
<td></td>
<td>Sorting</td>
<td>$12,825</td>
</tr>
<tr>
<td></td>
<td>Pest Control</td>
<td>$24,000</td>
</tr>
<tr>
<td></td>
<td>Security monitoring</td>
<td>$15,000</td>
</tr>
<tr>
<td></td>
<td>Lawn care</td>
<td>$320,000</td>
</tr>
<tr>
<td></td>
<td>Branch Security (7761 hours)</td>
<td>$384,620</td>
</tr>
<tr>
<td></td>
<td>Building Cleaning Services</td>
<td>$500,000</td>
</tr>
<tr>
<td></td>
<td>Carpet/window cleaning</td>
<td>$40,000</td>
</tr>
</tbody>
</table>

$1,416,445
Professional Fees (5460): The Library contracts certain professionals to perform specific activities or for professional consultation. Highlights for next year’s budget include the payroll service, HR management, legal, banking, investment, and auditing services. Identified professional services for the new fiscal year are summarized as below:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll, HR &amp; Job Application</td>
<td>$115,000</td>
</tr>
<tr>
<td>Legal</td>
<td>35,000</td>
</tr>
<tr>
<td>Auditing</td>
<td>36,000</td>
</tr>
<tr>
<td>Collection</td>
<td>30,000</td>
</tr>
<tr>
<td>Banking</td>
<td>6,000</td>
</tr>
<tr>
<td>Credit card</td>
<td>18,000</td>
</tr>
<tr>
<td>Other business consulting</td>
<td>10,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$250,000</strong></td>
</tr>
</tbody>
</table>

Continuing Education & Convention (5470): The Library highly values continuing education and professional training. Examples of educational opportunities for our employees and Board Members include attending conferences presented by the American Library Association, Public Library Association, Missouri Library Association, and other professional associations. Equally beneficial are workshops presented by the Mid-America Library Alliance, Amigos, and other events based on the Library’s need. The total budget for this is $256,925, with $213,375 for conferences and $43,550 for workshops and trainings.

Postage and Freight (5540): The Library has taken several opportunities to reduce the shipping cost, including outsourcing mailing customer notices, and negotiating a contract with UPS. The total budget for next year is $275,000, as detailed below:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPS</td>
<td>$50,000</td>
</tr>
<tr>
<td>Postal</td>
<td>35,000</td>
</tr>
<tr>
<td>Customer Notices</td>
<td>186,000</td>
</tr>
<tr>
<td>Other</td>
<td>4,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$275,000</strong></td>
</tr>
</tbody>
</table>

Travel and Transportation (5740): The Library reimburses its employees and the Library Board members for using personal vehicles for Library business at the standard rate set by the Internal Revenue Service. By encouraging carpooling and utilizing the teleconference system, the Library will be able to control the increase of cost significantly below the growth rate of fuel price. The total budget for next year is $135,000.
Insurance (5770): The Library carries various types of insurance for protection from unforeseeable and potentially serious situations. Below are the major types of insurance polices the Library carries:

<table>
<thead>
<tr>
<th>Insurance Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director &amp; Officer</td>
<td>$65,000</td>
</tr>
<tr>
<td>Property &amp; Liability</td>
<td>$130,000</td>
</tr>
<tr>
<td>Automobile</td>
<td>$25,000</td>
</tr>
<tr>
<td>Umbrella</td>
<td>$5,100</td>
</tr>
<tr>
<td>Computer</td>
<td>$5,000</td>
</tr>
<tr>
<td>Security officers</td>
<td>$3,500</td>
</tr>
<tr>
<td>Workers Compensation</td>
<td>$135,000</td>
</tr>
<tr>
<td>Fine Art</td>
<td>$1,000</td>
</tr>
<tr>
<td>Crime Protection</td>
<td>$5,000</td>
</tr>
<tr>
<td>Other</td>
<td>$3,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$377,600</strong></td>
</tr>
</tbody>
</table>

Additional information about the Library Operations budget can be found in the Payroll and Benefits, Library Materials, Technology, and Capital Improvement Plan section. The total Library Operations budget is $9,230,740, or 18.6% of the total operating budget.

The Library’s Operating Budget represents staff’s best judgment for providing the highest level of service to the public, while remaining within the tax levy authorized by District voters. This proposal is consistent with the Library’s Strategic Plan and should enable us to fulfill our commitment to quality service for the community, both now and in the future.
Percentage by Expenditure Category
Mid-Continent Public Library vs. National and Regional Averages*

*Regional and National Averages are based on data reported for the 2017 Public Library Data Service Report collected by the Public Library Association. The Regional data is from 19 libraries in Missouri and its eight surrounding states with service populations of 200,000 to 999,999. The National data are from 47 U.S. libraries with service populations of 500,000 to 999,999.
*In 1983, a 15-cent increase was passed for a total of a 35-cent operating levy for the Library and a 10-cent building levy. In 1991, the district voters reset the operating levy to 32 cents and retired the building levy. However, before 2008, provisions of State regulations allowed governments to collect up to the highest voter-approved levy: 35 cents for the Library. In 2008, the Missouri General Assembly reformed tax regulations so that governments could collect the most recently voted levy rather than the highest voted levy. On November 8, 2016, voters approved a new operating levy of 40 cents for the Library.
Payroll and Benefits

Staffing

The FY 2018-19 Payroll and Benefits budget continues to reflect increased staffing to support expanded services promised during the levy campaign.

The 2017 labor market study showed that a significant number of the public service staff worked under the same job description, which reflected a tradition of considering these jobs to be generalists. The reality is that there were well-defined specialized jobs included in the generalist description. A couple of public service generalist job descriptions have been expanded into several specialized job descriptions. This differentiation will recognize the specialized nature of our public service positions while providing for more advancement opportunities. This will also allow the Library to set more competitive salaries for these positions.

The budget for FY 2018-19 provides for a 6% compensation pool that will allow for labor market inflation and increasing the Library’s overall competitive position in the labor market. This is the second year of a two-year plan to address the Library’s position with other similarly situated positions in the labor market. This should complete the plan for catching up to the labor market.

Benefits

The Library participates in the Missouri Local Government Employees Retirement System (LAGERS), a multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan, which provides retirement benefits to plan members and beneficiaries based on earnings and years of service. The Library’s cost for this important component of the employee benefit program will be 16.6% of covered earnings for FY 2018-19, the same as FY 2017-18. The contribution rate is actuarially determined each year. The Library makes the full contribution to the program on the employee’s behalf. The retirement plan budget line shows a small increase due to increased payroll and a greater allowance for non-covered wages.

As of June 30, 2017, the LAGERS system had a ratio of assets to liabilities of 94.8%. This strong prefunded ratio continues to place LAGERS in the top 10% of public pension plans in Missouri and the nation.

The Library also makes the legally required matching contribution of 7.65% of covered earnings for employee Social Security Benefits.

Another major component of the full-time salaried employee benefit program is the health and dental insurance plans. This benefit is also extended to a few qualified retirees. Half-time salaried employees have access to these plans but must pay the full premium costs while the Library pays the full premium for full-time salaried employees. The medical plan budget line reflects an increase due to increased staffing and an upward trend in claims activity.
The Library’s Self-Funded Health Insurance Fund allows the Library to smooth the ups and downs of claims management. It is the stated objective to use the Fund to smooth the variation of claims experience over a rolling three years. After several favorable claims years, the Plan is experiencing an upward trend in claims. The reserve that has accumulated due to favorable claims experience will now be used to cushion a period of unfavorable experience. Please refer to the section on Other Funds for more information on the Self-Funded Health Insurance Fund.

The Library also provides access to an Employee Assistance Program (EAP) for all employees and family members living with them. This confidential service addresses many issues that can distract an employee from being productive at work such as marital, emotional, legal, and financial problems. This program can divert potential medical plan claims and provide supervisors with a tool to help employees experiencing problems that interfere with their home and work lives. The program continues to increase the number of Library employees and their families who use the many services offered.

The Library provides term life insurance and long-term disability insurance at no cost to all full-time salaried employees.

There are no significant changes in the structure of the employee health insurance program for FY 2018-19.

**Staff Development**

The Library provides ongoing leadership training to managers and supervisors in both the classroom and on the job. The Library continues to focus time and training resources on customer service training for all employees to ensure that customer service remains the central focus of the Library’s culture. Diversity awareness and recruiting continue to be an important priority for the Library. The Library conducts ongoing staff awareness training. This includes courses such as avoiding discrimination practices, retaliation, and sexual harassment.

The Library has a tuition reimbursement program for eligible employees who are enrolled in a graduate library science degree program or other job-appropriate college courses. The number of courses eligible under the program is limited by the availability of budgeted funds. Reimbursement will be at the rate of 50% of the cost per credit hour and applies to tuition and the information technology fee only.

The Library employs a number of initiatives and tools to ensure that the right people are hired for the most appropriate positions that match their experience and skills. Hiring managers and Human Resources staff are always aware of the Library’s inclusiveness objectives. Background checks are performed on all newly hired employees who are 19 years of age and older.
Identified Employee Resources Account budgets are summarized below:

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>New hire background check fees</td>
<td>$11,000</td>
</tr>
<tr>
<td>Emergency preparedness training</td>
<td>$20,000</td>
</tr>
<tr>
<td>Section 125 Plan fees</td>
<td>$3,920</td>
</tr>
<tr>
<td>Staff development day</td>
<td>$15,000</td>
</tr>
<tr>
<td>Management/leadership development</td>
<td>$52,080</td>
</tr>
<tr>
<td>Awareness training</td>
<td>$4,400</td>
</tr>
<tr>
<td>Job certification training</td>
<td>$15,000</td>
</tr>
<tr>
<td>Exceptionality, recognition, fun day, etc.</td>
<td>$82,000</td>
</tr>
<tr>
<td>Diversity promotion and recruiting</td>
<td>$10,000</td>
</tr>
<tr>
<td>Explore your future retirement planning</td>
<td>$4,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$217,400</strong></td>
</tr>
</tbody>
</table>

The total payroll and benefits budget for FY 2018-19 is $29,319,588, or 59.2% of the total General Fund budget, and reflects an increase of 11% from previous fiscal year’s actual number and a 7% increase over the previous year’s budget.
Trend of Total Payroll and Benefits Expenditures

Payroll & Benefits Budget Allocation by Programs
Library Materials:

Library Collection:

The Library is dedicated to allocating a significant percentage of annual revenue to the acquisition of new library materials. The Library believes that if it cannot purchase new and high-demand items, it will quickly lose relevance. According to the Public Library Data Service reports, when comparing other libraries in the United States that also serve between 500,000 and 1 million people, Mid-Continent Public Library routinely allocates the largest percentage of its revenue to this purpose.

Books:

As part of the Library’s material budget, books include the purchase of books for children, teens, and adults. According to the 2017 Public Library Data Service report, Mid-Continent Public Library ranks fourth in the nation for allocated resources in actual dollars on print material amongst the 47 library districts servicing between 500,000 and 1 million residents.

Electronic Books:

As part of the Library’s material budget, Electronic Books (eBooks) are titles that are licensed or purchased individually and are intended and formatted to be used individually. They can be read on computers, smartphones, tablets, and other eBook reading devices. The Library ranks 12th of the 47 library districts in its peer group for expenditures on eBooks. Part of the expenditures will be funded by any allocations made through the State of Missouri Athlete and Entertainers Tax.

Staff continuously evaluate reference materials and purchase them in digital form when possible or if it is the only option. In addition, the Library purchases downloadable eBook titles that are popular among readers of “bestsellers” and genre fiction. The advantage to the eBook format is that it is frequently easier to search and to use and can always be accessed from any location. It is also available 24 hours a day, 7 days a week.

The yearly eBook circulation continues to increase. This year the collection development librarians began dedicating more time to the “bookshelves” on OverDrive, highlighting new titles and rotating what customers see upon login on a more frequent basis. In addition, with the pilot of student digital cards, more juvenile titles were checked out than ever before.

Periodicals:

As part of the Library’s material budget, this account includes magazine and newspaper subscriptions. The Library offers subscriptions within each location as well as through Flipster and RBdigital, both of which are online magazine databases allowing 24 hours a day, 7 days a week access to many popular titles.
Microfilm:

As part of the Library’s material budget, this account includes magazines and newspapers on microfilm, census microfilm, and microfiche. Generally, the Library believes that microforms are losing importance as a delivery method of most archival information. The one exception to this is with genealogy resources, where microforms are still heavily relied upon.

Electronic Resources:

As part of the Library’s material budget, this account includes several high-quality, evaluated, digital resources. According to the 2017 Public Library Data Service report, Mid-Continent Public Library allocated more resources in actual dollars on electronic resources than any other library serving between 500,000 and 1 million people. Nearly all of the Library’s licensed resources are available to the people of the Library District 24 hours a day, 7 days a week through their computer, tablet, or smartphone. Many of these resources include indexes and collections that cover many topics or are added to annually. The Library subscribes to several online services through this account including Tutor.com’s Live Homework Help, Lynda.com, GrantSelect, CultureGrams, and National Geographic for Kids. The Library, in partnership with Literacy KC and Kansas City Public Library, continues to offer Career Online High School, an online school in which those who did not earn a high school degree may do so through an accredited school and learn job skills readying them for the job market. The program saw its first graduating class in 2017.

Audiovisual Materials:

As part of the Library’s material budget, this account includes nonprint media such as DVDs and spoken word or music on CDs. The Library provides access to downloadable audiobooks that customers can listen to on a computer, MP3 player, or smartphone. In addition, the Library will now subscribe to several streaming video services. According to the 2017 Public Library Data Service report, Mid-Continent Public Library ranks 17th for library resource allocation of audiovisual resources in actual dollars among libraries serving between 500,000 and 1 million people.

Library Material Processing

As an addition to the Library’s material budget, this account contains the cost associated with obtaining and creating the records online to catalog the Library’s books and other materials, pre-processing of many items, shipping, access fees for OverDrive, the RDA Toolkit, and Title Source 360.

Live Programming:

Programming at the Library is another way in which information is accessed by our customers. The Library provides two main types of programming: Special Events and General Programming. Special Events are large, systemwide programs that are, generally, planned and organized by a committee or team. They are offered at one or two sites and done on an annual basis. Examples of Special Events are the Veterans Salute, Access Art, and the new LitUp teen literature festival. General Programming are
programs that may be offered at many locations or a single site, but on a smaller scale than the aforementioned Special Events. These programs are either presented by Library staff or outside presenters contracted through our Community Programming Department. The Library provides special events and programs for all ages and include topics such as author events, science, arts, and animals as well as specialized programs relating to small business and storytelling.

**Library Material Expenditures with the Percentage of Total Operating Expenditures**

*From 2014 to 2018*

* The decrease in percentage of library materials to the total operating expenditures is due to the bigger increase in overall operating expenditure budget.

The total library materials budget for FY 2018-19 is $11,000,000, or 22.2% of the total General Fund budget.
Technology and Capital Improvement

Technology

The goal of the Library’s technology budget is to enhance or create new services to better serve the educational, recreational, and informational needs of Library customers.

The software/hardware contracts cover the technical support and licensing for about 90 servers, Library operating system, financial management system, RFID scanners and security gates, self-checkout machines, 500 public access computers, free Wi-Fi, and all of the other applications it takes to provide access to our customers.

The Internal Data Connection is the contracted service provided by local telephone companies to connect all branches and Library-To-Go sites with the Administrative Headquarters over a new fiber optic network. The Library’s internet access, VOIP phone system, and video conferencing are all built on this network. The internet services from AT&T will help to meet the growing demand for faster internet and Wi-Fi access.

One of the most noticeable activities commencing in the coming year will be the activation of the Facilities Assessment and Capital Plan (“Capital Plan”). The Library will reinvest in buildings, create new spaces, reimagine existing spaces, and enhance our technology services to be more useful for today’s library user. The additional technology enhancements and updates that will come from this Capital Plan will be in the form of new PCs and laptops, improved Internet and Wi-Fi speeds, updated apps, and new tools for collaboration.

Last, but most importantly, the Library understands that the library environment is changing substantially. A traditional library was frequently defined and limited by its building and the availability of the collection found in those four walls. Contemporary library customers frequently are much more concerned with the ability to access services how they want it, when they want it, and even where they want it. Responding to this call for access, Mid-Continent Public Library has invested heavily in its Virtual Branch services. Through technology, the Virtual Branch provides excellent services to our customers and is essential to our “Access Your World” brand message.

Identified projects or purchases for the Fiscal Year 2018-19 are summarized on the next page with the funding account numbers within the General Fund:
### General Fund’s Technology Plan for FY 2018-19

<table>
<thead>
<tr>
<th>Projects/Purchases</th>
<th>Budget</th>
<th>Funding Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software and hardware support contracts</td>
<td>$1,212,821</td>
<td>5330</td>
</tr>
<tr>
<td>Additional RFID inventory scanners</td>
<td>25,000</td>
<td>5330</td>
</tr>
<tr>
<td>Bibliotheca RFID staff stations</td>
<td>10,000</td>
<td>5330</td>
</tr>
<tr>
<td>Dell NAS for SM DR site</td>
<td>20,000</td>
<td>5330</td>
</tr>
<tr>
<td>Fire system replacement for Data Center</td>
<td>50,000</td>
<td>5330</td>
</tr>
<tr>
<td>HVAC replacement for Data Center</td>
<td>50,000</td>
<td>5330</td>
</tr>
<tr>
<td>Laptops and specialty computing</td>
<td>80,000</td>
<td>5330</td>
</tr>
<tr>
<td>Matching funds for grant related projects</td>
<td>50,000</td>
<td>5330</td>
</tr>
<tr>
<td>Misc additions/replacements and contingency</td>
<td>179,200</td>
<td>5330</td>
</tr>
<tr>
<td>Branch WIFI</td>
<td>25,000</td>
<td>5570</td>
</tr>
<tr>
<td>Internet by AT&amp;T</td>
<td>52,095</td>
<td>5570</td>
</tr>
<tr>
<td>GPS</td>
<td>2,220</td>
<td>5570</td>
</tr>
<tr>
<td>Radio</td>
<td>1,800</td>
<td>5570</td>
</tr>
<tr>
<td>Cell phones</td>
<td>36,000</td>
<td>5570</td>
</tr>
<tr>
<td>Mobile internet</td>
<td>25,000</td>
<td>5570</td>
</tr>
<tr>
<td>Data connections</td>
<td>596,770</td>
<td>5570</td>
</tr>
<tr>
<td>Virtual Library</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronic resources</td>
<td>2,597,305</td>
<td>5200</td>
</tr>
<tr>
<td>Downloadable audio/video</td>
<td>906,250</td>
<td>5230</td>
</tr>
<tr>
<td>ebooks/e-Reference</td>
<td>1,250,000</td>
<td>5160</td>
</tr>
<tr>
<td><strong>Subtotal:</strong></td>
<td><strong>4,753,555</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$7,169,461</strong></td>
<td></td>
</tr>
</tbody>
</table>
Capital Improvement Plan:

The expenditure items covered under the Capital Improvement Plan include equipment, fixture, repair and maintenance, and other assets that will improve or maintain the value of Library facilities. The funding for this plan is from the General Fund.

Major Maintenance Projects:

1. Heating and Cooling system and Lighting: The Library will spend $42,815 for special maintenance at the Woodneath Library Center, Midwest Genealogy Center, South Independence Branch, and Smithville Branch.

2. Parking Lot Maintenance: The Library will repair and/or sealcoat the parking lot at various branches for a total cost of $81,000.

3. Building Access Control: The Library will spend $52,000 to service all Library elevators, inspect fire alarm systems, and to upgrade the software of the security system.

4. Work Area Repair and Improvement: The Library will spend $26,400 to make improvements for the public areas at various branch locations, and will spend up to $66,500 to repair the floor and replace the carpet of certain work areas at HQ. In addition, the Library will need $247,300 for routine work orders, shop supplies, and equipment maintenance.

In addition to the projects mentioned above, the Library will also budget over $36 million in its Capital Project Fund for new construction, major renovations, and property acquisitions as outlined in the Facilities Assessment and Capital Plan, which was adopted by the Board on September 16, 2014.
# General Fund’s Capital Improvement Plan for FY 2018-19

<table>
<thead>
<tr>
<th>Budget</th>
<th>Parking Lot:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Saltguarding and asphalt repair</td>
</tr>
<tr>
<td></td>
<td>Restriping, patching, &amp; sidewalk sealant:</td>
</tr>
<tr>
<td></td>
<td>Building Access Control:</td>
</tr>
<tr>
<td></td>
<td>Fire alarm and elevator services</td>
</tr>
<tr>
<td></td>
<td>SEI software upgrade</td>
</tr>
<tr>
<td></td>
<td>Special equipment: carts, pallet jack, and thermal camera</td>
</tr>
<tr>
<td></td>
<td>HVAC/Lighting maintenance - WN, MGC, SI, &amp; SM</td>
</tr>
<tr>
<td></td>
<td>Workarea repair/improvement:</td>
</tr>
<tr>
<td></td>
<td>Office painting,</td>
</tr>
<tr>
<td></td>
<td>MGC bollard repair</td>
</tr>
<tr>
<td></td>
<td>New flooring for HR booking, IRS, ILL, and computer lab</td>
</tr>
<tr>
<td></td>
<td>BW's baby changing table</td>
</tr>
<tr>
<td></td>
<td>NI’s community room's new window shade</td>
</tr>
<tr>
<td></td>
<td>New USB outlets at NI</td>
</tr>
<tr>
<td></td>
<td>WN's new floor power installation</td>
</tr>
<tr>
<td></td>
<td>WN's new lighting in Kids area</td>
</tr>
<tr>
<td></td>
<td>General maintenance orders and supplies</td>
</tr>
</tbody>
</table>

|        | Total | $523,515 |
Capital Project Fund

Fund Description:

The Capital Project Fund is used to account for financial resources set aside for the purchase of major capital assets and/or construction and renovation of Library properties. The revenues for this fund are derived from transfers from the General Fund, special taxes, investment income, sales of real properties, grants, and contributions.

Budgetary control over individual projects is established on a project basis for the life of the project and lapses only when the project is reduced or closed out by Board actions. However, any remaining unrestricted project fund balance at the end of the fiscal year is reappropriated at the beginning of each year and included in the annual budget.

The Elbridge Arnold home, perhaps better known as the Crouch family home, on the Woodneath Campus is undergoing restoration so that it will serve as the new home for the Library’s Story Center program and staff. The interior and exterior work on the home is estimated to cost $2.9 million. A capital campaign is underway to raise $3.4 million to cover all costs related to construction as well as supplement The Story Center program. More than $2.2 million has been raised through private sources in support of the campaign. Exterior renovation is expected to finish by fall of 2018. Work on the adaptive reuse of the interior of the historic home will proceed contingent upon campaign progress. The public portion of the campaign kicked off on April 6, 2018, and will conclude in October of 2018. Several public events are planned throughout the public campaign period to raise funds and awareness in support of The Story Center and the work on the historic home.

In FY 2014-15, the Library Board approved a Facilities Assessment and Capital Plan to maintain and guide the development of 31 branches. This plan is to ensure the Library will be able to continue to provide first-class services and amenities and remain relevant and vital to the communities. In FY 2016-17, the Library was engaged with the SDA+Helix design team to refresh and provide additional detail to the Library’s Facilities Assessment and Capital Plan (2014). During FY 2015-16, two standing committees of the Board of Trustees have endorsed the idea of accelerating the construction schedule to complete the work in less than 10 years. In 2017, The Library engaged JE Dunn to act as Construction Manager, using the “Construction Manager At-Risk” building delivery model. Before the end of FY 2017-18, the Library will have an accelerated construction and delivery schedule having released bonds to help finance part of the plan so that construction and delivery is completed in no more than six calendar years.
Below is the budget of the Facilities Assessment and Capital Plan with funding sources:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Work Package</th>
<th>Locations</th>
<th>Construction Budget</th>
<th>Land Acquisition</th>
</tr>
</thead>
</table>
| I 1   | Midwest Genealgy Center - Community Hall | $5,819,118
    |               | Blue Springs South, Excelsior Springs, Antioch, Oak Grove, Weston, Platte City | 5,772,352           |                 |
| I 2   |               | Liberty $5,869,515                                                       |                     | 750,000         |
| I 3   |               | East Lee's Summit $5,978,805                                              |                     | 750,000         |
| I 4   |               | Red Bridge $600,000                                                      |                     |                 |
| II 5  |               | Camden Point, Claycomo, Dearborn, Edgerton, HQ, Blue Springs North, Buckner, North | 600,000            |                 |
| II 6  |               | Kearney, Lone Jack $2,606,064                                            |                     |                 |
| II 7  |               | Independence, Raytown $3,502,405                                          |                     |                 |
| II 8  |               | Woondneath - Auditorium $6,047,654                                        |                     |                 |
| III 9 |               | Grain Valley $4,977,492                                                  | 750,000             |                 |
| III 10|               | Colbern Road $10,225,924                                                 | 200,000             |                 |
| III 11 |               | South Independence $3,763,743                                            |                     |                 |
| IV 12 |               | North Oak $5,636,468                                                    | 750,000             |                 |
| IV 13 |               | East Independence $6,412,582                                             | 750,000             |                 |
| IV 14 |               | Boardwalk $10,613,260                                                   | 1,500,000           |                 |
| IV 15 |               | Lee's Summit $3,762,000                                                 |                     |                 |
|       |               | Unassigned Construction Resources $2,912,618                            |                     |                 |
|       |               | Total Construction Cost $84,500,000                                      |                     |                 |
|       |               | Land Acquisition 5,450,000                                               |                     |                 |
|       |               | Furniture Equipment & Fixture 7,000,000                                   |                     |                 |
|       |               | Design/Preparation 16,250,000                                           |                     |                 |
|       |               | Total Capital Plan Budget $113,200,000                                   |                     |                 |
| Funding Sources: | | Series 2018 Certificates of Participation $80,000,000                      |                     |                 |
|       |               | Capital Project Fund's reserve 17,000,000                                |                     |                 |
|       |               | New taxes due to increase in Assessed Valuation and annual operating surplus $9,000,000 (2018 - 2024) |                     |                 |
|       |               | Property Disposal 3,500,000                                               |                     |                 |
|       |               | General Fund's reserve 3,700,000                                          |                     |                 |
|       |               | Total Funding $113,200,000                                               |                     |                 |
**Capital Project Fund Detail Statement of Revenues and Expenditures**

**Budget for FY 2018-19**

### Revenues:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3330 Grant &amp; Contribution - WN Capital</td>
<td>$1,029,000</td>
</tr>
<tr>
<td>3370 Investment income</td>
<td>$250,000</td>
</tr>
<tr>
<td>3800 Disposal of property and other</td>
<td>$615,000</td>
</tr>
</tbody>
</table>

**Total Revenues**

$1,894,000

### Expenditures:

<table>
<thead>
<tr>
<th>Description</th>
<th>Project to date</th>
<th>Remaining Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovation of Woodneath old house</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design and engineering - Tax Revenue</td>
<td>219,142</td>
<td></td>
</tr>
<tr>
<td>Administrative cost - Tax Revenue</td>
<td>65,742</td>
<td></td>
</tr>
<tr>
<td>Performance bond - Tax Revenue</td>
<td>22,250</td>
<td></td>
</tr>
<tr>
<td>Elevator - Contributions</td>
<td>150,000</td>
<td></td>
</tr>
<tr>
<td>Construction and FF&amp;E - Contributions</td>
<td>500,000</td>
<td>1,597,884</td>
</tr>
</tbody>
</table>

**Total Expenditures**

$2,055,018

**Excess (Deficiency) of Revenues over (under) Expenditures:**

$34,445,860

**Beginning Fund Balance:**

$94,803,484

**Ending Fund Balance:**

$60,141,606

(1) $200,000 will come from the Mid-Continent Public Library Foundation.
(2) The fund balance includes 80 million dollars of debt financing.
Debt Service Fund

Fund Description:

This fund is established to account for debt principal repayment and interest of Series 2018 Certificates of Participation, issued on May 16, 2018. The total amount of bond proceeds is $80,574,567.50 with a total par amount of $72,925,000 and a total net premium of $7,649,567.50. All related expenses and interest income will also be accounted in this fund.

The funding source of annual payment is from the General Fund and the investment income from the bond proceeds not being covered by this budget, subject to annual appropriation by the Library Board.

<table>
<thead>
<tr>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
</tr>
<tr>
<td>Property Taxes $7,500,000</td>
</tr>
<tr>
<td>Investment income 20,000</td>
</tr>
<tr>
<td><strong>Total Revenues</strong> 7,520,000</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
</tr>
<tr>
<td>Debt Service 6,577,210</td>
</tr>
<tr>
<td>Miscellaneous 10,000</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong> 6,587,210</td>
</tr>
<tr>
<td><strong>Excess (Deficiency) of Revenues Over (Under) Expenditures:</strong> 932,790</td>
</tr>
<tr>
<td>Beginning Fund Balance -</td>
</tr>
<tr>
<td>Ending Fund Balance $932,790</td>
</tr>
</tbody>
</table>
**Debt Service Schedule**  
**Certificates of Participation Series 2018**

<table>
<thead>
<tr>
<th>Period Ending</th>
<th>Principal</th>
<th>Coupon</th>
<th>Interest</th>
<th>Debt Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/30/2019</td>
<td>$3,925,000</td>
<td>5.00%</td>
<td>$2,652,210</td>
<td>$6,577,210</td>
</tr>
<tr>
<td>6/30/2020</td>
<td>3,245,000</td>
<td>5.00%</td>
<td>3,326,981</td>
<td>6,571,981</td>
</tr>
<tr>
<td>6/30/2021</td>
<td>3,410,000</td>
<td>5.00%</td>
<td>3,164,731</td>
<td>6,574,731</td>
</tr>
<tr>
<td>6/30/2022</td>
<td>3,580,000</td>
<td>5.00%</td>
<td>2,994,231</td>
<td>6,574,231</td>
</tr>
<tr>
<td>6/30/2023</td>
<td>3,760,000</td>
<td>5.00%</td>
<td>2,815,231</td>
<td>6,575,231</td>
</tr>
<tr>
<td>6/30/2024</td>
<td>3,945,000</td>
<td>5.00%</td>
<td>2,627,231</td>
<td>6,572,231</td>
</tr>
<tr>
<td>6/30/2025</td>
<td>3,650,000</td>
<td>5.00%</td>
<td>2,429,981</td>
<td>6,079,981</td>
</tr>
<tr>
<td>6/30/2026</td>
<td>3,650,000</td>
<td>5.00%</td>
<td>2,247,481</td>
<td>5,897,481</td>
</tr>
<tr>
<td>6/30/2027</td>
<td>3,650,000</td>
<td>5.00%</td>
<td>2,064,981</td>
<td>5,714,981</td>
</tr>
<tr>
<td>6/30/2028</td>
<td>3,650,000</td>
<td>5.00%</td>
<td>1,882,481</td>
<td>5,532,481</td>
</tr>
<tr>
<td>6/30/2029</td>
<td>3,650,000</td>
<td>5.00%</td>
<td>1,699,981</td>
<td>5,349,981</td>
</tr>
<tr>
<td>6/30/2030</td>
<td>3,650,000</td>
<td>5.00%</td>
<td>1,517,481</td>
<td>5,167,481</td>
</tr>
<tr>
<td>6/30/2031</td>
<td>3,645,000</td>
<td>5.00%</td>
<td>1,334,981</td>
<td>4,979,981</td>
</tr>
<tr>
<td>6/30/2032</td>
<td>3,645,000</td>
<td>5.00%</td>
<td>1,152,731</td>
<td>4,797,731</td>
</tr>
<tr>
<td>6/30/2033</td>
<td>3,645,000</td>
<td>5.00%</td>
<td>970,481</td>
<td>4,615,481</td>
</tr>
<tr>
<td>6/30/2034</td>
<td>3,645,000</td>
<td>5.00%</td>
<td>788,231</td>
<td>4,433,231</td>
</tr>
<tr>
<td>6/30/2035</td>
<td>3,645,000</td>
<td>4.00%</td>
<td>605,981</td>
<td>4,250,981</td>
</tr>
<tr>
<td>6/30/2036</td>
<td>3,645,000</td>
<td>5.00%</td>
<td>460,181</td>
<td>4,105,181</td>
</tr>
<tr>
<td>6/30/2037</td>
<td>3,645,000</td>
<td>4.00%</td>
<td>277,931</td>
<td>3,922,931</td>
</tr>
<tr>
<td>6/30/2038</td>
<td>3,645,000</td>
<td>3.63%</td>
<td>132,131</td>
<td>3,777,131</td>
</tr>
</tbody>
</table>

$72,925,000 $35,145,654 $108,070,654
Special Revenue Fund

Fund Description:

Through its fundraising and development effort, the Library receives various governmental grants and private contributions throughout the year. These revenues are restricted for special purposes. In addition, the Library has established various fund accounts at the Greater Kansas City Community Foundation and the Truman Heartland Community Foundation to solicit donations and grants in support of the Library’s services. Those community foundations manage these funds and report fund activities regularly to the Library.

Community Foundation Fund of the Special Revenue Fund currently has five sub funds: Library General, Midwest Genealogy Center Capital, Midwest Genealogy Center Program, Summer Reading Program, and The Story Center. The budgeted revenues are based on past experience and pledged contributions. The expenditure is for the purchase of artwork for the community hall at the Midwest Genealogy Center.

### Community Foundation Fund – Detail Statement of Revenues and Expenditures

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>$ 4,228</td>
<td>$ 12,240</td>
<td>$ 3,150</td>
</tr>
<tr>
<td>Investment income</td>
<td>5,064</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>9,292</strong></td>
<td><strong>18,240</strong></td>
<td><strong>9,150</strong></td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library operations</td>
<td>-</td>
<td>-</td>
<td>25,000</td>
</tr>
<tr>
<td><strong>Excess (Deficiency) of Revenues Over (Under) Expenditures:</strong></td>
<td>5,500</td>
<td>18,240</td>
<td>(15,850)</td>
</tr>
<tr>
<td>Beginning fund balance</td>
<td>264,068</td>
<td>273,360</td>
<td>291,600</td>
</tr>
<tr>
<td>Ending fund balance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library General</td>
<td>$ 182,302</td>
<td>$ 186,000</td>
<td>$ 184,000</td>
</tr>
<tr>
<td>Genealogy Capital Campaign</td>
<td>20,202</td>
<td>20,400</td>
<td>550</td>
</tr>
<tr>
<td>Genealogy Programs</td>
<td>23,139</td>
<td>25,000</td>
<td>26,500</td>
</tr>
<tr>
<td>Summer Reading Program*</td>
<td>35,108</td>
<td>47,000</td>
<td>49,500</td>
</tr>
<tr>
<td>Story Center</td>
<td>12,609</td>
<td>13,200</td>
<td>15,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 273,360</strong></td>
<td><strong>$ 291,600</strong></td>
<td><strong>$ 275,750</strong></td>
</tr>
</tbody>
</table>

*Up to 5% of the fund may be distributed, as long as the fund balance is over $25,000.
Grant and Gift Fund of the Special Revenue Fund derives its revenues from grants or gifts made directly to the Library for specific purposes or projects. Expenditures are subject to the availability of funds and the request of donors or grantors.

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LSTA grants</td>
<td>$141,673</td>
<td>$23,000</td>
<td>$287,475</td>
</tr>
<tr>
<td>Kauffman grants:</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other private grants</td>
<td>5,500</td>
<td>15,000</td>
<td>310,000</td>
</tr>
<tr>
<td>Library Lovers</td>
<td>-</td>
<td>12,000</td>
<td>12,000</td>
</tr>
<tr>
<td>membership</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$147,173</td>
<td>$50,000</td>
<td>$609,475</td>
</tr>
</tbody>
</table>

| **Expenditures:**    |                |                  |                |
| Library Lovers'      | -              | -                | 11,750         |
| activities           |                |                  |                |
| New Reading Rocket   | -              | -                | 310,000        |
| (bus)                |                |                  |                |
| Library programs     | 121,052        | 174,574          | 287,475        |
| **Total Expenditures** | 121,052        | 174,574          | 609,225        |

Excess (Deficiency) of Revenues Over (Under)

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditures:</strong></td>
<td>26,121</td>
<td>(124,574)</td>
<td>250</td>
</tr>
</tbody>
</table>

Beginning Fund Balance $107,793 $133,914 $9,340
Ending Fund Balance $133,914 $9,340 $9,590
James A. Leathers Scholarship Fund of the Special Revenue Fund was established by the Library Board to provide funds to a student working toward a graduate degree in Library Science. The guidelines are as follows:

1. Missouri resident  
2. Financial need  
3. Scholastic ability and achievement  
4. Full-time student  
5. Must be interested in entering the public library field.

Distribution of funds depends on availability and candidates’ qualifications; the Library Board decides annually whether to award the scholarship.

James A. Leathers Scholarship Fund – Detail Statement of Revenues and Expenditures

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Investment income</td>
<td>103</td>
<td>183</td>
<td>200</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>103</td>
<td>183</td>
<td>200</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,000</td>
<td>4,000</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Excess (Deficiency) of Revenues Over (Under) Expenditures:</strong></td>
<td>(3,897)</td>
<td>(3,817)</td>
<td>(1,800)</td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>31,314</td>
<td>27,417</td>
<td>23,600</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$ 27,417</td>
<td>$ 23,600</td>
<td>$ 21,800</td>
</tr>
</tbody>
</table>
**Permanent Fund**

**Genealogy Endowment Fund** is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes of providing additional support for the Midwest Genealogy Center. This specifically includes, but is not limited to: 1. support of the genealogy circulating collection, and 2. support of the family research collection.

The expenditures may be made at the sole discretion of the Library administration from the income of the fund. One-third of the income produced by the fund in any fiscal year shall be added to the corpus of the fund.

**Genealogy Endowment Fund Detail – Statement of Revenues and Expenditures**

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Investment income</td>
<td>$39</td>
<td>$30</td>
<td>$50</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$39</td>
<td>$30</td>
<td>$50</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess (Deficiency)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of Revenues Over (Under)</td>
<td>$39</td>
<td>$30</td>
<td>$50</td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>43,693</td>
<td>43,732</td>
<td>43,762</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$43,732</td>
<td>$43,762</td>
<td>$43,812</td>
</tr>
</tbody>
</table>
Internal Service Fund – Self-Funded Health Insurance

Fund Description

This fund is used to account for the expenses of health claims experience plus related fixed fees and access fees. The Library has adopted a four-tier premium model called “Cost-Plus” offered by Blue Cross Blue Shield of Kansas City. This funding model allows the Library to take on the risks and rewards around the Library’s claims experience. The insurance company maintains fiduciary responsibility and the Library’s risk can be decreased by purchasing reinsurance and maintaining an adequate reserve fund. The Library’s contribution to this fund is from the General Fund’s payroll and benefit budget.

Health Insurance Fund – Detail Statement of Revenues and Expenditures

<table>
<thead>
<tr>
<th></th>
<th>Actual 2016-17</th>
<th>Estimate 2017-18</th>
<th>Budget 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library's contribution</td>
<td>$2,337,754</td>
<td>$2,450,000</td>
<td>$2,825,000</td>
</tr>
<tr>
<td>Employees' and retirees' contribution</td>
<td>$427,332</td>
<td>$420,000</td>
<td>$432,600</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$2,765,086</td>
<td>$2,870,000</td>
<td>$3,257,600</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative fees</td>
<td>$450,279</td>
<td>$460,375</td>
<td>$483,394</td>
</tr>
<tr>
<td>Claims expenses</td>
<td>$2,621,991</td>
<td>$2,605,000</td>
<td>$2,735,250</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$3,072,270</td>
<td>$3,065,375</td>
<td>$3,218,644</td>
</tr>
<tr>
<td><strong>Excess (Deficiency) of Revenues Over (Under) Expenditures:</strong></td>
<td>$307,184</td>
<td>$195,375</td>
<td>$38,956</td>
</tr>
<tr>
<td>Transfer out</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>1,751,296</td>
<td>1,444,112</td>
<td>1,248,737</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$1,444,112</td>
<td>$1,248,737</td>
<td>$1,287,693</td>
</tr>
</tbody>
</table>
Mid-Continent Public Library Peer Group Comparisons

The Public Library Association produces annual statistical reports on North American libraries. The following graphs are taken from the Public Library Data Service Statistical Report 2017 and compares MCPL with its peer group libraries. The peer group consists of surveyed libraries serving populations of 500,000 to 999,999 and includes such libraries as Boston Public Library, San Francisco Public Library, and St. Louis County Library.
## Miscellaneous Statistical Data (3)

**From 2008 to 2017**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th># of Physical Collection Owned</th>
<th># of Digital Materials Circulated</th>
<th># of All Materials Circulated</th>
<th># of Registered Borrowers</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-2008</td>
<td>3,435,518</td>
<td>N/A</td>
<td>8,260,899</td>
<td>462,579</td>
<td>668,428 (1)</td>
</tr>
<tr>
<td>2008-2009</td>
<td>3,565,744</td>
<td>N/A</td>
<td>9,182,417</td>
<td>466,344</td>
<td>668,428 (1)</td>
</tr>
<tr>
<td>2009-2010</td>
<td>3,419,516</td>
<td>N/A</td>
<td>9,455,412</td>
<td>481,050</td>
<td>668,428 (1)</td>
</tr>
<tr>
<td>2010-2011</td>
<td>3,419,516</td>
<td>N/A</td>
<td>9,060,906</td>
<td>496,205</td>
<td>762,446 (2)</td>
</tr>
<tr>
<td>2011-2012</td>
<td>3,402,625</td>
<td>N/A</td>
<td>9,305,242</td>
<td>545,980</td>
<td>762,446 (2)</td>
</tr>
<tr>
<td>2012-2013</td>
<td>3,482,436</td>
<td>N/A</td>
<td>9,120,528</td>
<td>497,365</td>
<td>762,446 (2)</td>
</tr>
<tr>
<td>2013-2014</td>
<td>3,629,127</td>
<td>948,955</td>
<td>8,969,209</td>
<td>510,888</td>
<td>762,446 (2)</td>
</tr>
<tr>
<td>2014-2015</td>
<td>3,524,692</td>
<td>1,160,987</td>
<td>8,844,347</td>
<td>502,523</td>
<td>762,446 (2)</td>
</tr>
<tr>
<td>2015-2016</td>
<td>2,982,264</td>
<td>1,413,212</td>
<td>9,189,534</td>
<td>512,419</td>
<td>762,446 (2)</td>
</tr>
</tbody>
</table>

(1) Based on 2000 US Census  
(2) Based on 2010 US Census  
(3) These measurements are traditional output metrics to capture the service activity. However, these measures do not capture the meaningful outcomes, steps toward mission fulfillment, or the impact the Library has on individuals or the community. Attempting to capture all of those is part of the goal of the recently adopted strategic plan, and a new set of statistical measurement will be developed accordingly.
<table>
<thead>
<tr>
<th>Branch Libraries</th>
<th>Address</th>
<th>Owned (O)</th>
<th>Square Feet</th>
<th>Open Hours per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antioch</td>
<td>6060 N. Chestnut Ave. Gladstone, MO 64119</td>
<td>O</td>
<td>22,783</td>
<td>69</td>
</tr>
<tr>
<td>Blue Ridge</td>
<td>9253 Blue Ridge Blvd. Kansas City, MO 64138</td>
<td>O</td>
<td>21,280</td>
<td>69</td>
</tr>
<tr>
<td>Blue Springs North</td>
<td>850 NW Hunter Drive Blue Springs, MO 64015</td>
<td>O</td>
<td>15,204</td>
<td>69</td>
</tr>
<tr>
<td>Blue Springs South</td>
<td>2220 S. 7 Hwy. Blue Springs, MO 64014</td>
<td>O</td>
<td>17,896</td>
<td>69</td>
</tr>
<tr>
<td>Boardwalk</td>
<td>8656 N. Ambassador Drive Kansas City, MO 64154</td>
<td>O</td>
<td>14,961</td>
<td>69</td>
</tr>
<tr>
<td>Buckner</td>
<td>19 E. Jefferson St. Buckner, MO 64016</td>
<td>O</td>
<td>5,518</td>
<td>61</td>
</tr>
<tr>
<td>Camden Point</td>
<td>401 Hardesty St. Camden Point, MO 64018</td>
<td>O</td>
<td>3,080</td>
<td>55</td>
</tr>
<tr>
<td>Claycomo</td>
<td>309 NE 69 Hwy. Claycomo, MO 64119</td>
<td>O</td>
<td>9,733</td>
<td>61</td>
</tr>
<tr>
<td>Colbern Road</td>
<td>1000 NE Colbern Road Lee's Summit, MO 64086</td>
<td>O</td>
<td>15,204</td>
<td>69</td>
</tr>
<tr>
<td>Dearborn</td>
<td>206 Maple Leaf Ave. Dearborn, MO 64439</td>
<td>O</td>
<td>3,080</td>
<td>55</td>
</tr>
<tr>
<td>Edgerton</td>
<td>404 Frank St. Edgerton, MO 64444</td>
<td>O</td>
<td>3,013</td>
<td>55</td>
</tr>
<tr>
<td>Excelsior Springs</td>
<td>1460 Kearney Road Excelsior Springs, MO 64024</td>
<td>O</td>
<td>10,133</td>
<td>69</td>
</tr>
<tr>
<td>Grain Valley</td>
<td>101 SW Eagles Parkway Grain Valley, MO 64029</td>
<td>L</td>
<td>7,000</td>
<td>61</td>
</tr>
<tr>
<td>Grandview</td>
<td>12930 Booth Lane Grandview, MO 64030</td>
<td>O</td>
<td>12,744</td>
<td>69</td>
</tr>
</tbody>
</table>

(Continued)
## Miscellaneous Statistical Data

### Schedule of Service Locations

**June 30, 2018**

<table>
<thead>
<tr>
<th>Branch Libraries</th>
<th>Address</th>
<th>Owned (O)</th>
<th>Leased (L)</th>
<th>Square Feet</th>
<th>Open Hours per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kearney</td>
<td>100 S. Platte Clay Way, Kearney, MO 64060</td>
<td>O</td>
<td></td>
<td>15,000</td>
<td>69</td>
</tr>
<tr>
<td>Lee's Summit</td>
<td>150 NW Oldham Pkwy., Lee's Summit, MO 64081</td>
<td>O</td>
<td></td>
<td>17,500</td>
<td>69</td>
</tr>
<tr>
<td>Liberty</td>
<td>1000 Kent St., Liberty, MO 64068</td>
<td>O</td>
<td></td>
<td>17,300</td>
<td>69</td>
</tr>
<tr>
<td>Lone Jack</td>
<td>211 N. Bynum Road, Lone Jack, MO 64070</td>
<td>O</td>
<td></td>
<td>7,500</td>
<td>61</td>
</tr>
<tr>
<td>Midwest Genealogy Center</td>
<td>3440 S. Lee's Summit Road, Independence, MO 64055</td>
<td>O</td>
<td></td>
<td>52,000</td>
<td>67</td>
</tr>
<tr>
<td>North Independence</td>
<td>317 W. 24 Hwy., Independence, MO 64050</td>
<td>O</td>
<td></td>
<td>45,952</td>
<td>69</td>
</tr>
<tr>
<td>North Oak</td>
<td>8700 N Oak Street Tfwy., Kansas City, MO 64155</td>
<td>O</td>
<td></td>
<td>15,580</td>
<td>69</td>
</tr>
<tr>
<td>Oak Grove</td>
<td>2320 S. Broadway St., Oak Grove, MO 64075</td>
<td>O</td>
<td></td>
<td>7,000</td>
<td>61</td>
</tr>
<tr>
<td>Parkville</td>
<td>8815 Tom Watson Pkwy., Parkville, MO 64152</td>
<td>O</td>
<td></td>
<td>17,664</td>
<td>69</td>
</tr>
<tr>
<td>Platte City</td>
<td>2702 N.W. Prairie View Road, Platte City, MO 64079</td>
<td>O</td>
<td></td>
<td>15,638</td>
<td>61</td>
</tr>
<tr>
<td>Raytown</td>
<td>6131 Raytown Road, Raytown, MO 64133</td>
<td>O</td>
<td></td>
<td>22,910</td>
<td>69</td>
</tr>
<tr>
<td>Red Bridge</td>
<td>11140 Locust St., Kansas City, MO 64131</td>
<td>O</td>
<td></td>
<td>12,314</td>
<td>69</td>
</tr>
<tr>
<td>Riverside</td>
<td>2700 N.W. Vivion Road, Riverside, MO 64150</td>
<td>O</td>
<td></td>
<td>15,112</td>
<td>61</td>
</tr>
<tr>
<td>Smithville</td>
<td>120 Richardson St., Smithville, MO 64089</td>
<td>O</td>
<td></td>
<td>15,000</td>
<td>69</td>
</tr>
<tr>
<td>South Independence</td>
<td>13700 E 35th St., Independence, MO 64055</td>
<td>O</td>
<td></td>
<td>17,887</td>
<td>69</td>
</tr>
</tbody>
</table>

(Continued)
## Miscellaneous Statistical Data

### Schedule of Service Locations

**June 30, 2018**

<table>
<thead>
<tr>
<th>Branch Libraries</th>
<th>Address</th>
<th>Owned (O)</th>
<th>Leased (L)</th>
<th>Square Feet</th>
<th>Open Hours per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weston</td>
<td>18204 Library Drive Weston, MO 64098</td>
<td>O</td>
<td></td>
<td>7,244</td>
<td>57</td>
</tr>
<tr>
<td>Woodneath</td>
<td>8900 N. Flintlock Road Kansas City, MO 64157</td>
<td>O</td>
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<td>35,000</td>
<td>69</td>
</tr>
<tr>
<td>Library-To-Go 1</td>
<td>Hillcrest Community Center 10401 Hillcrest Road Kansas City, MO 64134</td>
<td>L</td>
<td></td>
<td>150</td>
<td>76</td>
</tr>
<tr>
<td>Library-To-Go 2</td>
<td>Marlborough Community Center 8200 Paseo Blvd. Kansas City, MO 64131</td>
<td>L</td>
<td></td>
<td>150</td>
<td>47</td>
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<tr>
<td>Library-To-Go 3</td>
<td>Platte County Resource Center 11724 N.W. Plaza Circle, #200 Kansas City, MO 64153</td>
<td>L</td>
<td></td>
<td>N/A</td>
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</tr>
</tbody>
</table>